





[For departmental use only.]

# INCOME-TAX OFFICE MANUAL.



CALCUTTA  
SUPERINTENDENT GOVERNMENT PRINTING, INDIA  
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## P R E F A C E .

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Owing to the separation, complete in some provinces, in progress in others, between district offices and income-tax offices, an office manual for the Income-tax Department has become necessary. The present manual contains the general orders issued by the Government of India or the Board of Inland Revenue regarding the delegation of powers, a description of the special procedure regarding the assessment, collection and refund of income-tax involved by the standardisation of the departmental forms, and brief and simple instructions concerning office procedure and cognate matters. The special procedure is based on that adopted in two provinces and thoroughly tested in one of them for a period of nearly three years. The chapters on office procedure are a compendium from several manuals in various provinces and departments: only main principles of general application have been enunciated, and it is not intended to interfere with any special or other system introduced by any Commissioner.

W. GASKELL,  
*Member, Board of Inland Revenue.*

*The 20th July 1923.*







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## CHAPTER I.

### Powers.

#### A.—BOARD OF INLAND REVENUE

##### *Definitions.*

1. In the rules in paragraphs 1—15—

(a) *Finance Department* means the Finance Department of the Government of India.

G. G. O. No. 59  
F. E., dated 29  
March 1922.

(b) *Non-recurring expenditure* means expenditure sanctioned as a lump sum, whether the money be paid as a lump sum or by instalments. All other expenditure is recurring expenditure.

(c) *Re-appropriation* means the transfer of funds from one unit of appropriation to another such unit.

##### *Powers of sanctioning expenditure and of creating and abolishing posts.*

2. The Board may sanction expenditure from general revenues or advances of public money in those cases only in which it is authorised to do so by—

(a) the provisions of any legislative enactment for the time being in force or of rules made under such an enactment; or

(b) the Civil Account Code or any other Code issued by, or with the approval of, the Governor-General in Council; or

(c) any order of the Governor-General in Council delegating to it financial powers with reference to the provisions of a legislative enactment or to rules approved or orders issued by the Secretary of State in Council; or

(d) any order of the Governor-General in Council laying down a scale or maximum scale of expenditure; or

(e) these rules.

3. The Board may sanction the creation or abolition of a permanent post if the maximum pay of the post does not exceed Rs. 500.

Creation and abolition of posts.

4. The Board may increase or reduce the pay of a permanent post or of a Government servant in permanent employ if the maximum pay of the post or of the Government servant does not exceed Rs. 500 after the increase or before the reduction, as the case may be.



5. The Board may sanction the creation of a temporary post on pay not exceeding Rs. 1,500—

(a) for any specified period, if the pay of the post does not exceed Rs. 500, and

(b) for not more than six months, if the pay exceeds Rs. 500.

6. The Board may increase or reduce the pay of a temporary post on condition that the limits imposed by rule 5 are not exceeded.

7. The Board may sanction the revision of the pay of an  
Revision of establish- establishment on condition that—  
ments.

(a) the provisions of rule 4 are observed;

(b) the additional expenditure involved does not exceed Rs. 6,000 a year; and

(c) the revision does not affect a whole class or grade of Government servants.

8. The Board may sanction expenditure on non-recurring contingent charges and the purchase of articles  
Contingent expenditure. for the public service subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor-General in Council. It may sanction expenditure on the renting of ordinary office accommodation and the payment of municipal and other taxes; and it may sanction other recurring contingent expenditure up to a limit in each case of Rs. 200 a year.

9. Rules 3, 4, 5, 6 and 7 do not apply to expenditure on the  
Special exceptions. office establishment of the Board. In respect of such expenditure, the Board may exercise the powers conferred by those rules in connection with menial establishments only.

### *Effect of sanction.*

10. Sanction to any given expenditure becomes operative as soon as funds have been appropriated to meet the expenditure, and does not become operative until funds have been so appropriated.  
When sanction becomes operative.

11. Sanction to recurring expenditure covering a specified period of years becomes operative when funds are appropriated to meet the expenditure of the first year, and remains in operation for each year of the specified term subject to appropriation in such year.

### *Appropriation.*

12. When a grant which will be administered by the Board has been voted by the Legislative Assembly, the amount voted, together with any sum, assigned to the same major head or heads of account, which does not require the vote of the Assembly, will  
Primary units of appropriation.



be communicated to the Board by the Finance Department in the shape of lump sums allotted under some or all of the following heads:—

1. Pay of officers.
2. Pay of establishment.
3. Allowances, honoraria, etc.
4. Supplies and services.
5. Contingencies.
6. Establishment charges payable to other Governments, Departments, etc.

The portion of a grant allotted under each of these heads is hereinafter termed a primary unit of appropriation. Any estimated recoveries which are not creditable to revenue and any other deductions from expenditure will be shown as deductions either from the amounts allotted under particular heads or from the total of the grant.

**13.** Out of the supply allotted to it in each primary unit of Powers of appropriation. appropriation, the Board has full power to appropriate sums to meet expenditure falling under that unit; provided that, except with the previous consent of the Finance Department,—

- (1) supply provided for non-voted items must not be appropriated to votable items, and supply provided for voted items must not be appropriated to non-votable items; and
- (2) supply must not be appropriated to any item of expenditure which has not been sanctioned by an authority empowered to sanction it.

*Re-appropriation.*

**14.** Subject to the conditions prescribed in rule 13, the Board may re-appropriate sums from one Powers of re-appropriation. primary unit of appropriation to any other such unit; provided that, except with the previous consent of the Finance Department,—

- (1) no re-appropriation shall be made to meet any expenditure, other than contingent expenditure, which is likely to involve further outlay in a future financial year; and
- (2) no re-appropriation shall be made from the unit “Pay of officers” to any other unit.

*Delegation of powers.*

**15.** The Board may, with the previous consent of the Finance Powers of delegation. Department, delegate to any officer subordinate to it the powers conferred upon it by rules 8, 13 and 14.



*Other powers.*

G. G. O. No. 613-  
C. S. R. dated 23rd  
June 1922.

16. With reference to rule 2 (10) of the Supplementary Rules, the Board has been declared to be a Head of a Department for the purposes of the said rule.

The Board is Head of a Department.

G. G. O. No. 569-  
E.B., dated 9th June  
1922.

17. Full powers have been delegated to the Board under Supplementary Rule 73. rule 73 of the Supplementary Rules.

G. G. O. No. 213-  
A., dated 8th March  
1923.

18. The Board has been authorised to write off finally losses due to embezzlement or similar causes up to a limit of Rs. 1,000 in any individual case.

Losses due to embezzlement, etc.

G. G. O. No. 345-  
C. S. R., dated 16th  
February 1923.

19. Full power has been delegated to the Board to retain gazetted officers, not directly appointed by the Government of India, in service after the age of 55 years, provided that extensions are limited to a period of one year at a time.

Retention of gazetted officers in service.

G. G. O. No. 2341-  
F. E., dated 14th  
November 1922.

20. Under rule 21 (1) of the rules regulating the General Provident Fund, power has been delegated to the Board to sanction temporary advances from the fund to gazetted officers under its control.

General Provident Fund.

G. G. O. No. 1030-  
E. B., dated 24th  
August 1922.

21. The Board has been authorised to permit income-tax officials subordinate to it to proceed on duty to any part of British India or to any foreign settlement in India.

Journeys in or out of British India.

G. G. O. No. 496-  
E.B., dated 25th May  
1922, and No. 243-  
E.B., dated 17th  
March 1922.

22. Rules in section I (travelling allowances) and rules 23 and 35 of the Simla Allowances Code have been applied to the office of the Board. Authority has been delegated to the Board to sanction advance of salary or travelling allowance of a gazetted officer in the Board's office.

Simla Allowances Code.

G. G. O. No. 418-  
E. B., dated 11th  
May 1922.

23. With reference to rule 13 of appendix 5 of the Civil Account Code, Volume I, power has been delegated to the Board to purchase books, newspapers and other publications, whether published in or out of India, and to issue instructions to the Superintendent, Government Printing, India, for the supply of particular publications to the Commissioners of Income-tax.

Purchase of books, newspapers, etc.

#### B.—COMMISSIONERS OF INCOME-TAX.

G. G. O. No. 418-  
E. B., dated 11th  
May 1922.

Miscellaneous powers. 24. The Commissioners of Income-tax have been authorised,

- (i) to sanction the renting of ordinary office accommodation subject to a limit of Rs. 100 a month, for each office.
- (ii) to sanction up to a limit of Rs. 15 in each case, items of recurring contingent expenditure,
- (iii) to sanction telephone rents for connection of income-tax offices with existing telephone systems,



(iv) to sanction expenditure on non-recurring contingent charges and the purchase of articles for the public service subject to the provisions of the Civil Account Code and to any orders issued from time to time by the Governor-General in Council,

(v) to sanction non-recurring expenditure on non-contract contingencies up to Rs. 250 in each case, and

(vi) to sign contracts and other instruments relating to the Income-tax Department on behalf of the Secretary of State for India.

G. G. O. No. O/23-S., dated 16th August 1922.

G. G. O. H. D.) No. F-1392 (Judl.), dated 22nd September 1922.

25. With reference to rule 2 (10) of the Supplementary Rules, Commissioners of Income-tax have been declared to be Heads of Departments for the purposes of the said rule.

G. G. O. No. 613-C. S. R., dated 23rd June 1922.

26. With reference to rule 191 of the Supplementary Rules read with item 54 in Appendix III thereof, the Commissioner of Income-tax in each province has been declared to be the controlling officer for travelling allowance purposes for himself and for all income-tax officials under his control.

G. G. O. No. 418-E. B., dated 11th May 1922.

27. With reference to paragraph 15 above, the Board of Inland Revenue, with the approval of the Finance Department, has delegated to Commissioners of Income-tax the powers conferred upon it by paragraphs 13 and 14 above regarding appropriations and re-appropriations in respect of the budget allotments under their control.

B. I. R. letter No. 716-I. T., dated 12th October 1922.

28. With reference to rule 21 (i) of the rules regulating the General Provident Fund, Commissioners of Income-tax have been authorised to sanction advances from the fund to gazetted officers under their control.

G. G. O. No. 151-S., dated 26th October 1922.

29. The Commissioners of Income-tax have been exempted from the operation of rule 73 of the Supplementary Rules.

B. I. R. letter No. 307-I. T., dated 21st June 1922.

### C.—MISCELLANEOUS.

30. Power to write off irrecoverable balances of income-tax demands has been delegated as below:—

G. G. O. No. 144-S., dated 28th October 1922.

Name of officer.	Extent of delegation.
1. Commissioners of Income-tax and Assistant Commissioner of Income-tax, Bombay City.	Unlimited powers.
2. Assistant Commissioners of Income-tax (except the Assistant Commissioner of Income-tax, Bombay City) and Senior Income-tax Officer, Bombay City.	Power to write off sums not exceeding Rs. 250 in each case.



3. Income-tax Officers (except Senior Income-tax Officer, Bombay City). Power to write off sums not exceeding Rs. 50 in each case if empowered to do so by the Commissioner of Income-tax.

G. G. O. No. 134-  
S., dated 16th Octo-  
ber 1922.

**31.** The following rates of travelling allowances have been sanctioned for the officers of the Income-tax Department:—

- (1) *Commissioners of Income-tax*.—Whole-time Commissioners of Income-tax will draw the same rates of daily allowance and mileage allowance for road journeys as the local Governments within whose territories the Commissioners are working pay to their own Heads of Departments.
- (2) *Assistant Commissioners of Income-tax*.—Assistant Commissioners of Income-tax will draw the same rates of daily allowance and of mileage allowance for road journeys as are sanctioned for Collectors or Deputy Commissioners by the local Governments within whose territories the Assistant Commissioners are working.
- (3) *Income-tax Officers*.—Income-tax Officers will draw the same rates of daily allowance and of mileage allowance for road journeys as are sanctioned by the local Governments within whose territories the Income-tax Officers are working for their Provincial Civil Service Officers.
- (4) The special rates of daily and mileage allowances for special localities will be regulated by rules 46 (b) and 51 (b) of the Supplementary Rules.
- (5) Journeys by rail or steamer. All officers in the Income-tax Department who travel by rail or by steamer will draw the allowances prescribed in the Supplementary Rules.



## CHAPTER II.

### Rules regarding the appointment, etc., of the non-gazetted staff.

#### A.—Appointment, etc.

**32.** The head of each office has power to appoint all menial establishment in his office. Permanent appointments to the clerical establishment (including munims) shall be made by Assistant Commissioners for their own offices and for income-tax offices, subject to the general control of the Commissioner, and by Commissioners for their own offices. Inspectors and surveyors and also accountants whose pay is Rs. 100 per mensem or over will be appointed by the Commissioner.

*Powers of appointment.*

**33.** A graded list of the clerical establishment in each province shall be maintained in the office of the Commissioner. The qualifications necessary to secure appointments in income-tax offices shall be the same in each province as those prescribed by the local Government for appointments to English revenue offices in that province.

*Maintenance of graded list of clerks.*

**34.** Income-tax Officers are empowered to dismiss, remove, suspend, or reduce any member of the menial establishment working under them. They may also suspend any member of their clerical establishment.

*Punishments.*

**35.** Assistant Commissioners are empowered to dismiss, remove, suspend, reduce or defer the increments of, any member of the clerical or menial establishments within their charge except so far as such powers have been given to Income-tax Officers.

**36.** Commissioners have power to dismiss, remove, suspend, reduce, or defer the increments of inspectors, surveyors and accountants (including examiners of accounts) and also of any member of the clerical and menial establishments in any office under their control.

**37.** Any original order of dismissal or removal passed by an Income-tax Commissioner shall be subject to an appeal to the Board of Inland Revenue except in case of the menial establishment: all other orders shall be final. Appeals against orders passed by an Income-tax Officer shall lie to the Assistant Commissioner, and against original orders passed by an Assistant Commissioner, except in the case of suspension, to the Commissioner.

*Appeals against punishment.*

**38.** A subordinate official who is punished departmentally shall be entitled, free of charge, to a copy of the order of punishment, which copy he shall file with his petition of appeal. An

*Grant of copy of punishment order.*



appeal shall be filed within thirty days of the order appealed against exclusive of the time spent in obtaining a copy of the order.

**39.** In cases where an original order of punishment which is Review of orders of not appealable has been passed by an Assistant Commissioner, the Commissioner may review the order of punishment in cases where, in consequence of some flagrant irregularity, material injustice appears to have been done.

**40.** Where any steps are taken against any person for misconduct meriting dismissal, removal, suspension or other punishment, the following procedure shall be observed:

- (a) The charges shall be reduced to writing.
- (b) The defence shall be taken upon each charge separately.
- (c) The evidence shall be taken in the presence of the person concerned and he shall be given an opportunity of cross-examining the witness against him.
- (d) A finding shall be recorded upon each separate charge.
- (e) The person's previous record shall be considered before the order for punishment is passed.

**41.** The following common defects of procedure have been observed in several cases of departmental enquiries into the conduct of public servants and such or any other similar defects should be carefully avoided:—

- (i) That officers frequently fail to comply with the prescribed procedure requiring a written charge and a written defence in respect of each offence.
- (ii) That after framing charges they often fail to give a specific finding on such charge.
- (iii) That sometimes they do not even discuss the charges framed, but confine their remarks on the whole case to some major charge which has not even been framed against the person who is the subject of the enquiry.

Distinction between removal and dismissal. **42.** The distinction between removal and dismissal is as follows:—

- (a) In case of removal from office for such a cause as unfitness for the duties of the office, the officer may be reappointed in another office for the duties of which he may be suited. Removal should be the penalty in all such cases where it is not thought necessary to bar future re-employment under Government.
- (b) A dismissed officer is precluded from re-employment.

As a precaution against the inadvertent re-employment of persons who have been dismissed from Government service officers



should take care that every candidate for employment is required to state in writing whether he has been previously employed in any post under Government, and if so, to produce a copy of his character book or other record of service.

*B.—Service Books.*

43. Service books shall be maintained for every person included in the non-gazetted staff and every entry made in the service book shall be initialled by the head of the office.

44. Certificates of service, good conduct, character and the like shall not be given to any person who is serving or has served in the Department except in a temporary vacancy. Notes recording commendation or censure should be made in the character roll (I. T. 62) of the officer in question where such is maintained, and in the service book in other cases. A note should also be made annually in April regarding the work of the official in question (except in the case of the menial establishment) during the preceding year.



## CHAPTER III.

## Leave.

*A.—Casual leave.*

45. Casual leave may be granted in accordance with the rules prescribed by the local Government of the province in which the officer is serving as follows:—

to Assistant Commissioners of Income-tax.	by the Commissioner of Income-tax,
to Income-tax Officers and Assistant Income-tax Officers.	by the Assistant Commissioner of Income-tax,
„ all others . . . .	by the head of the office concerned.

*B.—Other leave.*

46. Leave will be granted to Assistant Commissioners of Income-tax, Income-tax Officers and Assistant Income-tax Officers by the Commissioner of Income-tax. Any officer who desires to take leave should inform the Commissioner demi-officially of his intention (a) before the 1st July if the leave is to be taken during the following cold weather and (b) before the 1st January if the leave is to be taken during the following hot weather. Officers proceeding on leave should always report their address while on leave to the Commissioner.

47. The head of each office may grant leave to any member of his ministerial establishment up to one month without reference to higher authority and will make the necessary arrangements for the performance of the duties of the official proceeding on leave. In the case of menial establishment the head of the office has full power to grant such leave as may be due under the rules.

Assistant Commissioners are empowered to give leave up to four months to any inspector, surveyor or accountant (including examiners of accounts) and to any officer of the ministerial establishment within their charge and to make arrangements for the acting vacancy.

In all other cases leave will be granted by the Commissioner. Officers in submitting proposals to the Commissioner for the grant of leave should also make recommendations regarding the method for filling the vacancy.



## CHAPTER IV.

## Procedure in connection with the assessment and collection of income-tax.

48. The forms special to the Income-tax Department are contained in the appendix.

49. The chief forms in connection with the assessment and collection of income-tax are:—

- (1) General Index Register (I. T. 36 and 37).
- (2) Assessment form (I. T. 30).
- (3) Register of demand and collections (I. T. 41) and
- (4) Register of refunds (I. T. 43).

There are also a number of less important registers which are described in this chapter.

General Index Register. 50. The General Index Register consists of two portions called—

- (a) Permanent record.
- (b) Five-year record.

The permanent record will contain the name and address of each assessee. The assessees in a circle, or, where a circle comprises more than one district, in a district should \*ordinarily be arranged alphabetically and entered in the permanent record. After each letter of the alphabet should be left a certain number of blank lines equal to 25 per cent. of the names under each letter for rural areas and up to 50 per cent. or even 80 per cent. in the case of cities and towns with a changing population. When names are removed from the register, the appropriate entry should be ruled out in red ink and the deletion initialled by the Income-tax Officer.

51. If the collections in any year are to be full, as should be the aim of every Income-tax Officer, it is necessary that the work of assessment should begin as early as possible in the new financial year. Normally most of the work of assessment should be completed by the end of November or middle of December and clerks should have sufficient leisure during the concluding months of the year to prepare the notices calling for returns of income, so that these may be issued on or soon after the 15th March each year.

*Page 11, 8th line of paragraph 51.—For the words “on or soon after the 15th March each year,” substitute the words “on or soon after 1st April each year after the Finance Act has become law, that is has received the assent of the Governor General.”*

year record. It is obvious that as names will disappear from, or be added to, the permanent record, the number of the

\* NOTE.—In cities and large towns it may be preferable to divide the register into sections, representing bazaars, wards or some other suitable area. The serial number of the register, however, will be unbroken.



miscellaneous record of a particular assessee will vary from year to year. When the notices calling for a return of income are issued, the date should be entered in the second column under the appropriate year in the five-year record; similarly when the return is received, the date should be entered in the third column. It is thus possible for the Income-tax Officer and for all inspecting officers to ascertain without difficulty the extent to which the assessee is submitting their returns. The last annual number in any year also gives the number of assessments which the Income-tax Officer has to complete, and in combination with the serial number in the register of demand and collections will provide an automatic check that no record has been overlooked. At the end of five years it may be possible to utilise the form of permanent record for a further period of five years, in which case the binding of the register will be removed and the completed pages regarding the five-year record will be taken out and new pages inserted in their place.

52. The first page of the assessment form (I. T. 30) shows the whole of the procedure prescribed in the Assessment form. Income-tax Act for an assessment. The cage "Classification of demand" on the back of the form is utilised for the preparation of annual return No. I which in turn is based on the classified register of demand (I. T. 42) designed to reproduce in columns 2—19 the information which is contained in the assessment form. The cage "Classification of refunds and rebates" reflects the abatements shown in items (x) and (xi) and also, with reference to interest on securities, the difference between the tax deducted at source and the tax payable at the personal rate of the assessee. The information in this cage is carried to the register of refunds (I. T. 43) from which are compiled the figures relating to refunds and rebates in annual returns Nos. I and III. The cage headed "Notice of demand" is for the purpose of checking the work of the office. The record of cash refunds is of importance because of the necessity of preventing a double refund regarding which a certificate has to be given on the refund voucher (I. T. 32). The entry in the record of cash refunds must be initialled by the Income-tax Officer as it is intended that this should be the main record of the grant of such refunds.

53. When the assessment has been made on the form, an assessment note should be recorded giving such explanation of the figures as may be necessary.

54. The same form may be used for an assessment to super-tax though it is obviously not very suitable for the purpose, or the super-tax assessment may be made at the end of the income-tax assessment note.

55. When the assessment has been completed, the Income-tax Officer will, with his own hand, make the necessary entries in the register of demand and collections (I. T. 41) which will be



maintained for the circle, or, where a circle comprises several districts, for the district, as a whole and not by any sub-divisions in the circle or district. If the result of assessment is a demand, the entries in columns 2, 3, 4 and 6 will be made in black ink. If, on the other hand the assessment results in a refund or in no demand, the Income-tax Officer should make the entries in columns 2, 3, 4 and 6 in red ink, entering in column 6 the amount of the refund or the letters\* "N. A." or "N. D.", as may be necessary. By making the entries himself, the Income-tax Officer has an absolute check that no records are deposited without coming to his notice because the final serial number in this register corresponds to the number of the last miscellaneous record for the year (*vide* paragraph 51). Further if the demand is entered in his own hand, the Income-tax Officer is relieved from the necessity of comparing the entries in the register with the amounts shown in the assessment record. The entries "N. A." in the register should be examined periodically by inspecting officers in order to check any tendency to issue unnecessary notices calling for returns of income.

A suitable number of pages will be set apart to show the demand and collection of super-tax.

56. Column 4 is designed for use in connection with the preparation of annual returns IV and V.

57. Column 7 showing the date of issue of the notice of demand is of great importance for controlling collections. The date on which a demand must be paid, if none is specified in the notice, is the first day of the second month following the date of the service of the notice of demand. But where assessment takes place early in the year, and indeed up to† December, it is very convenient to assessees if 60 days are allowed. If the notice of demand is issued in the later part of the year, the Income-tax Officer should use his discretion by allowing a period of six weeks, four weeks and so on according to the time left before the end of the year. When information of payment of the demand has reached the Income-tax Officer whether by the receipt of the income-tax office portion of the chalan or in some other manner, *e.g.*, where payment is by money-order, the necessary entry should be made in columns 8 and 9. The tabulation sheet (I. T. No. 45) should also be compiled at the same time, if possible, but, if the pressure of the ordinary work is heavy, this may be deferred till the end of December. On the completion of the compilation the head clerk should enter in column 5, under his initials, either the letter "E" meaning "entered" or the number of the grade in returns IV and V and the number in that grade, *e.g.*, II—28. The Income-tax

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\* NOTE.—The letters "N. A." (no assessment) should be used in cases where the income is below Rs. 2,000, and "N. D." (no demand) in cases where the income is Rs. 2,000 or over, but owing to deductions at the source no sum is found due from the assessee.

† NOTE.—It is within the discretion of the Commissioner to vary this month according to the conditions prevailing in his province or in any portion of it.



Officer will then be able to judge at a glance the progress of the tabulation. The entries will also furnish at the end of the year an automatic check on the numbers which should appear in any particular class in the returns.

Columns 7, 8 and 9 enable an Income-tax Officer to detect immediately whether a demand is in arrear or not; for instance, if the entry in column 7 is 12th July 1923 and the period for payment is 60 days, then for practical purposes the demand is in arrear if it is not paid by 12th September 1923, or, allowing for a few days' grace where payment is made at a sub-treasury, 15th September 1923. When a demand becomes an arrear, the Income-tax Officer has to decide what action to take. In some circles the practice of issuing reminders has grown up, but, although this may be suitable in special cases, it should not be adopted as a general procedure. Not only is wasteful expenditure of stamps involved, but, if assesseees become accustomed to the issue of reminders, they will never pay their demand within due date, for they will know that, before any penalty is imposed, they will receive a communication from the Income-tax Officer. As soon, therefore, as a demand has become an arrear, the Income-tax Officer should consider the imposition of a penalty under section 46. No formal order need be passed; it will be sufficient if the Income-tax Officer makes the entry in his own hand in columns 10 and 11 and signs the notice imposing the penalty and the chalan which accompanies the notice. The amount of penalty imposed varies in different provinces, *e.g.*, 1 per cent., 5 per cent., 10 per cent. of the demand. It is not intended to restrict the discretion of Commissioners in this respect but in some provinces it has been found that, if the Income-tax Officer has maintained proper touch with the assesseees of his circle, a penalty of 1 per cent. is usually sufficient for the purpose of securing speedy collections. In the case of recalcitrants the Income-tax Officer has to consider the imposition of a larger penalty which may be as great as the demand in arrear. In some areas the custom has been adopted, with great effect, of calling on such defaulters, in selected cases, to show cause within a week or ten days why the demand should not be doubled, by way of penalty, and the practice might be adopted everywhere. Where despite this procedure the demand is still not paid, the Income-tax Officer should, after imposing such further penalty as he considers suitable, take steps for the recovery of the amount under section 46 (2) and (3). As some time is required for collection by the revenue staff, it is useless to send certificates to the Collector towards the end of March, and the Income-tax Officer should not leave the matter to the last moment.

Any arrears outstanding at the end of the year should be entered in red ink at the beginning of the register of demand and collections for the ensuing year, arrears on account of income-tax and super-tax being shown separately. The serial number of such arrears will be repeated from the original register of demand and collections.



**58.** Columns 17 and 18 are useful, chiefly for budget purposes, not only to the Income-tax Officer but to the Commissioner when on tour. Register to be used in preparing the budget estimate of income. Where the entry in column 18 is a decrease, the figure should be in red ink.

**59.** It cannot be emphasised too strongly that the register of demand and collections is the most important administrative register in the department and by an intelligent use of it the Income-tax Officer has complete control over his office. Similarly an inspecting officer has complete control over the gazetted staff, for not only can he judge from column 7 how an Income-tax Officer has been disposing of assessment work during the year, but from columns 8, 9 and 10 he is able to discover whether or not the Income-tax Officer is paying attention to an equally important part of his duties, namely, the collection of the demand.

**60.** When the Income-tax Officer has made the necessary entries in columns 2, 3, 4 and 6 in the register of demand and collections, he should hand over the register and the record to a clerk for the issue of the notice of demand (I. T. 15). If the assessee is present at the time the assessment is announced, he should be requested to wait while the notice of demand and chalan are being prepared, and these should be delivered to him personally. If this is done, the letter "P" can with advantage be entered under the date in column 7 of the register of demand and collections to indicate that the notice was delivered in person. Otherwise, the notice should, as a rule, be sent by registered post. As the Income-tax Officer is perpetually using the register, he is able to tell without difficulty whether the clerk is issuing the notices promptly; and this point is one which should be examined by inspecting officers when on tour.

**61.** When the chalan (I. T. 31) is prepared, all the necessary entries should be made in the portions of it marked "original" and "duplicate," and particular care should be taken to show the \*head of classification which will appear in the public accounts. The income-tax office clerk will sign the certificate in the chalan and the Income-tax Officer will sign the order to receive and grant receipt. If the assessee loses his chalan, then, as stated in the notice of demand, it will be necessary for him to apply to the Income-tax Officer for the issue of a duplicate. When the assessee pays the demand, he will go direct with his chalan to the treasurer at the sub-treasury, treasury or branch of the Imperial Bank, as the case may be, and pay the amount of demand shown in it, obtaining the receipt

\* NOTE.—Under the latest orders Income-tax Officers are only concerned with two heads "Super-tax" and "Income-tax—ordinary collections." The detailed classification of the latter is made by the Income-tax Department. It is particularly necessary that surplus profits of railway companies should not be overlooked in the detailed classification and the column of remarks in the classified register of demand should be utilised for the purpose. A special note should be made, where necessary, at the foot of annual return No. I.



which is the right-hand foil in the chalan. The three entries in the cage marked "for use in treasury only" in the "original" and "duplicate" portions of the chalan will then be completed in the treasury and the "original" portion of the chalan will be sent immediately to the Income-tax Officer. ~~No entry will usually be~~

and rebates (I. T. 43). The pages in these books should be totalled when complete and the totals should be carried forward. The figures once entered in the classified register of demand should not be altered, but in the case of variations, owing to review, appeal or the like, the changes involved should be recorded in a *plus* or *minus* memorandum at the end of the register. The total at the end of the year will be the aggregate of the figures in the main part of the register and of the *plus* and *minus* memorandum. Where any reduction occurs on appeal or from any other cause and an entry is made in the *plus* or *minus* memorandum in the classified register of demand, the amount of refund should obviously not be entered in the refund register as such a course would in effect be showing a double refund in the departmental accounts.

Refunds granted as a result of the reduction of demand on appeal, etc., after the end of the year to which the demand relates should be entered in the register of refunds and rebates in the column "other refunds." Where as the result of an appeal, etc., decided during the year of assessment the rates of refund applicable differ from those already shown in the cage "Classification of refunds and rebates" the original entries in the register of refunds and rebates should be cancelled by a *minus* memorandum and the appropriate entries should be made in the register afresh. The total at the end of the year will be ascertained in the same manner as in the classified register of demands.

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\* NOTE.—The practice of showing variations in the register of demand and collections differs in the several provinces. The most convenient method is that the Income-tax Officer should correct the figure in column 6 of that register under his initials where the result of the review, appeal, etc., is a reduction, and should add under that figure the additional sum if the original amount is raised. In the latter case, the date of the order enhancing the original assessment should be specified in column 7. If the Income-tax Officer desires to maintain a correct total of the entries in the register of demand and collections, he can adjust the final total by means of a *plus* or *minus* memorandum at the end of the register.



A few pages should be set apart in the register of refunds for refunds of super-tax from any cause.

If these two registers are properly maintained, the compilation of returns Nos. I and II occupies a very short time, the only delay being occasioned by the necessity of comparing the figures with those in the public accounts.

63. When the income-tax office copy of the chalan has been received and entries have been made in columns 8 and 9 of the register of demand and collections (I. T. 41) corresponding entries should be made in the register of daily collections (I. T. 44). This register is essentially of the nature of a pass-book and must be sent to the treasury for verification every month. Columns 6 and 7 and column 17 can be verified at once from the public accounts as the figures should be identical. Column 18 will be the aggregate of the vouchers shown as cashed in the list of vouchers described in paragraph 64. The treasury officer will enter at the foot of the monthly total the amount deducted at source in the treasury from (1) interest on securities and (2) salaries and pensions paid to Government servants, and the net total of columns 6, 7, 17 and 18 and the entries made by the treasury officer will give the net collections for the district during the month. A monthly abstract of the figures in columns 6, 7, 17 and 18 with the amounts deducted at source should be reported by the Income-tax Officer direct to the office of the Commissioner so as to reach it on or before the 7th day of each month. The Commissioner's office will tabulate the returns for the province in order to compare the results with the figures shown by the Accountant-General in the public accounts. The preliminary figures will be sent, under the signature of a gazetted officer, to the Accountant-General for verification, and if any discrepancy arises, the difference will be scrutinised. When the error has been discovered, the figures finally agreed on will be sent to the Accountant-General who will arrange for their formal verification. The adoption of this course will facilitate the comparison of the departmental figures of receipts for the whole year from super-tax and income-tax with those in the accounts and will render possible the early submission of the annual returns.

The above procedure may need modification in the Presidency towns and in large cities containing more than one circle and Commissioners are empowered to make special arrangements in this behalf. The principle, however, is the same in all cases.

64. A list of refund vouchers which have been issued in any month should be sent to the treasury officer at the end of the month for verification. As a voucher is only in force for one month, it will thus be unnecessary to send a particular list of vouchers to the treasury more than twice. In large

Register of daily collections and monthly verification of departmental receipts.

Monthly verification of encashment of refund vouchers.



cities where the number of refund vouchers issued may be large, special checks are required and Commissioners may by special order modify these arrangements in consultation with the accounts officers concerned.

65. Two forms of cover have been prescribed for the assessment record (I. T. 40) and miscellaneous record (I. T. 38). The cover for the assessment record should contain only (a) the assessment form, the note explaining the assessment and a copy of any appellate order, which should be secured by a tag, and (b), unsecured, the last two returns of income which have been received and the depreciation record, where prepared. All other papers should be placed in the miscellaneous record. An assessment order should be complete in itself and should not refer to special reports by subordinate officers such as Assistant Income-tax Officers, Examiners or Inspectors unless the reports of those officers are made an integral part of the order. Assessment<sup>1</sup> notes from other circles regarding a branch of a business should be complete in themselves and should always be made a part of the assessment order relating to the business itself.

The purpose of the cages on the covers of the records is clear from the forms themselves and detailed instructions are not required. The order form is intended to contain a complete record of the procedure in assessment.

Many of the entries on the order sheet can be made by means of rubber stamps, for instance, the orders directing notices to issue under sections 22 (1) and 23 (2) of the Income-tax Act, 1922. Where a special letter of enquiry is issued, the fact should be noted on the order sheet and the office copy should be kept in the miscellaneous file. No record of such papers should be made in the correspondence register where one is maintained. Similarly, on the receipt of a reply, the Income-tax Officer should make effective arrangements for the insertion of the reply in the miscellaneous record which should forthwith be put up for orders. Such letters also should not be entered in the correspondence register as the latter has been found to be useless for the purpose.

66. The instructions on the depreciation record (I. T. 46) are self-contained. The entries in columns 11 to 17 of this record should be made by the Income-tax Officer with his own hand. The most important columns are 11 and 12 and their purpose should be clearly explained by the Commissioner and Assistant Commissioners to Income-tax Officers. The necessary information for columns 2—8 is supplied annually by the assessee in form I. T. 9.

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\* N.B.—The reports should, so far as possible, be submitted within one month from receipt of a requisition for information from the circle in which the headquarters of the business is situated.



67. The income-tax deducted from the salaries of persons other than Government servants is remitted to the Income-tax Officer with an invoice in form I. T. 2, while an annual return of employees is delivered to the Income-tax Officer in form I. T. 4. Experience, however, has shown that it is necessary for the Income-tax Department to maintain a register of salaries. The form for this purpose is I. T. 41 and explains itself. The information should be entered in the register month by month from the returns received from employers. In the case of special salary circles, such as those for (1) persons in the active service of the Government whose salaries and pay-bills are subject to the audit of an Accountant-General, (2) employees of a particular railway, and (3) officers and others in military employ whose pay is subject to the audit of a particular Controller of Military Accounts, the register of tax on salaries is maintained by the Income-tax Department and by no one else. The register is compiled from schedules in form I. T. 47. In the case of Government servants whose salary or pay is subject to audit by an Accountant-General the schedule is attached to the salary-bill or detailed establishment pay-bill and after check in the treasury is forwarded by the Treasury Officer to the Income-tax Officer of the circle concerned. In the case of railway employees the information is supplied in schedules prepared by the Chief Auditor of the railway, and in the case of persons employed in the Army by the Controller of Military Accounts. On receipt of the schedules the necessary entries should be made in columns 2—6 of the register of salaries (I. T. 48).

The information in this register is required at the end of the year for entry in returns I and IV, and, in order that no delay may occur, it is necessary that the Income-tax Officer should arrange for the preliminary addition of the figures in columns 2—6 in January or February so that the work to be done at the end of the year may be reduced to a minimum. Where these registers are maintained, the assessee need not be asked to show the income received by them under the head "salaries" when they submit their returns of income for the following year. In order to save labour by re-writing the headings for each ledger account every year the register has been arranged so as to last for six years.

68. The rules regarding the grant of refunds are contained in Chapter V. The refunds granted are not subject to any audit by the Accounts Department. All vouchers, therefore, which have been issued during any year, should be checked by the Assistant Commissioner when on tour, and the Income-tax Commissioner should notice during his inspection whether or not the Assistant Commissioner has attended to this important point. The check of the vouchers can be rapidly made and consists in testing that each of the three certificates has been correctly given. The method of verification of the encashment of vouchers is described in paragraph 64. Books of vouchers should remain in the



personal custody of the Income-tax Officer as the voucher is little more than a cheque payable to order.

69. Certificates given to persons desirous of securing deduction of income-tax at the source at a rate less than the maximum rate on interest received on securities are contained in books in form I. T. 33. Such a certificate can only be given after a return of income has been filed by the person in question and remains in force until cancelled by the Income-tax Officer. When such certificates, therefore, are given, the names of the persons in question should be entered in red ink in a separate part of the general index register and the Income-tax Officer should review the cases every year, deciding whether or not to issue a form calling for a return of income in that year. If he decides to call for a return, the number in column 1 of the year concerned will be entered in the manner already described. Where he decides not to issue any form, he should enter the letter "R" (reviewed) in red ink in the same column under his initials.



## CHAPTER V.

**\*Rules regarding income-tax refunds.**

**70.** All refunds will be granted on the special income-tax form of refund (I. T. 32).

**71.** Each order for refund of income-tax contains the following certificates:—

- (i) Certified that with reference to the assessment record of.....for the year....., No....., a refund of Rs.....is due to.....
- (ii) Certified that the income-tax concerning which this refund is given has been credited in the treasury.
- (iii) Certified that no refund order regarding the sum now in question has previously been granted and this order of refund has been entered in the original file of assessment under my signature.

Before granting the refund the Income-tax Officer must satisfy himself regarding each certificate. The first certificate requires a reference to the assessment record which should be maintained for each person before a refund is given, even if he is not otherwise liable to the tax. The second certificate will be given after reference to (a) the entries in the register of demand and collections in which payments are noted after the return of the income-tax portion of the *chalan*, (b) the certificates issued under section 18 (9) or section 20 of the Indian Income-tax Act, 1922, or (c) the salary register or, if the information is not available, the annual returns prescribed under section 21 of the Act. The third certificate involves an examination of the cage containing the "record of refunds" in the assessment form. The whole onus of granting a refund is on the Income-tax Officer alone and it will be a part of the duties of inspecting officers, and not of the Accounts Department, to see that the rules have been properly observed (*vide* paragraph 68).

**72.** Each order of refund will be numbered serially and will be stamped with the stamp of the office of issue. The month of the date of issue will be written and not indicated by a figure.

**73.** The books of refund vouchers will remain in the personal custody of the Income-tax Officer who will intimate to the treasury officer the book which he is using. In the case of special circles dealing with salary cases the number of the book brought into use will be notified to the Accountant-General who will publish it in the gazette.

**74.** When a refund has been given to an assessee producing certificates of deduction of income-tax issued under section 18 (9)



or section 20 of the Indian Income-tax Act, 1922, the latter will be cancelled under the signature of the Income-tax Officer. They will be kept in the miscellaneous file relating to the assessee and will only be returned when an assessee requires them in order to obtain relief in connection with double income-tax.

**75.** Immediately a refund voucher has been issued, the appropriate entry will be made by the Income-tax Officer in the "record of refunds" in the assessment form (*vide* paragraph 52).

**76.** A refund voucher will ordinarily be made payable only in the treasury of a district in the circle in which it is issued. But if for particular reasons the voucher has to be sent to another district the treasury officer of the district where the voucher is made payable will be informed by the Income-tax Officer. In the case of special circles dealing with salary cases the voucher can be cashed in any district which falls within the area in the circle.

**77.** The encashment of refund vouchers issued as payable in a district within an income-tax circle will be verified by treasury officers at fixed intervals of not more than one month as may be arranged with Income-tax Officers. Where a voucher is issued as payable in a district other than that comprised in the circle the fact of payment will be notified to the Income-tax Officer by the treasury officer.

**78.** Where a refund is paid by money-order the Income-tax Officer will show the amount found to be due for refund in the first certificate of the voucher, but will pass for payment a sum representing the amount due for refund *plus* the amount of money-order commission. For instance, if the refund were for a sum of Rs. 25, the entry in item 4 of the refund voucher would be "Passed for payment of Rs. twenty-five annas four (Rs. 25-4-0), that is, Rs. 25 as above *plus* Rs. 0-4-0 money-order commission." The voucher will be sent to the treasury officer with the money-order form filled up and with a request for the issue of a money-order in the ordinary course. The appropriate details will be entered in the counterfoil of the refund voucher. The sum passed for payment will be shown by the treasury officer under the head "refunds" in the treasury accounts.\* The money-order receipt issued by the Post Office will be forwarded by the treasury officer to the Income-tax Officer who will attach it to the counterfoil of the refund voucher.

**79.** If a refund is due to an assessee who is not resident in India he must make his own arrangement to receive it in India.

**80.** When a duplicate voucher is asked for because the period of the original voucher has expired the original should be cancelled by the Income-tax Officer and attached to its counterfoil. A new voucher will then be issued, necessary cross-references being entered in the counterfoils of both vouchers.

**81.** When a duplicate voucher is asked for on the ground that the original has been lost, the duplicate will not be issued

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\* NOTE.—Money-order commission should be entered in the register of refunds and rebates under "other refunds."



until the period of the original voucher has expired and until the Income-tax Officer has satisfied himself that it has not been cashed and has stopped payment of it at the treasury on which it was issued.

**82.** In the special salary circles, when a refund is due to a person in receipt of salary which is being taxed at the source, the Income-tax Officer may, if convenient to the assessee, *e.g.*, in the case of railway servants in receipt of small pay who have no banking account, grant the refund by authorising short payments of the tax due on the next salary or pay bill or bills. Where this procedure is adopted the fact of the deduction should be noted in the monthly invoice of income-tax deductions.



## CHAPTER VI.

## Annual Returns.

## A.—SPECIAL INSTRUCTIONS REGARDING THE PREPARATION OF THE ANNUAL RETURNS.

83. Seven returns are prescribed in the forms contained in the appendix (I. T. 23 to I. T. 29).

84. *Return No. I.*—A consolidated return in this form must be prepared by the Income-tax Commissioner for the whole province but he should arrange for printing the return in this form for each district or circle for the purposes of the Provincial report.

Refunds given under section 49 of the Act should be entered in return No. I; no attempt should be made to distribute the refunds between returns Nos. I and II. All refunds for which vouchers have been issued during the year should be entered in the returns whether cashed or not.

85. *Return No. II.*—This is a return giving particulars for super-tax similar to those given in return No. I for income-tax. This return should also be printed by the Income-tax Commissioner by districts for the Provincial report.

86. *Returns Nos. III and IV.*—(1) In order to give effect to the provisions of rule 15 of the Devolution Rules the figures entered in the body of these returns should represent *the income in respect of which tax was collected* and the tax collected during the year.

The entries at the foot of the forms are necessary in order that the figures shown in the main body of the returns may be reconciled with the figures in the public accounts. Penalties must be shown in the entries at the foot of the return and must, under no circumstances, be included in the tax collected. Before sending in their returns, Income-tax Officers and Commissioners of Income-tax should obtain from the Treasury Officer or the Accountant-General concerned a statement of the amount of net collections shown in his books and compare it with the net total shown in their returns and explain any divergence. Any discrepancies must be reconciled since an unreconciled return means that there are mistakes either in the Accountant-General's figures or in those of the Income-tax Department and incorrect returns are of no use.

(2) These returns should include only those incomes, a share of the income-tax on which was credited to Provincial revenues in the year 1920-21. Income-tax Commissioners should, where necessary, issue detailed instructions to Income-tax Officers stating what the incomes are which will be excluded from these returns. Instances of those incomes are the salaries of officers in the Army and of officers serving in the Imperial Departments directly under the Government of India, incomes from the interest on Government of India securities where income-tax is deducted by the Accountant-General, Central Revenues, and in some cases profits of Railway Companies.



(3) Care must be taken regarding the entry of the number of assessees as mistakes have at times been made in this matter. In one province assessees from whom arrears only were collected were not shown in one year, while in another province the whole of the assessees who were assessed on salaries only were left out. Every assessee from whom tax has been collected must be entered and must be entered only once.

(4) All tax collected whether in respect of assessments made during the year or in respect of arrears from preceding years and the income in respect of which tax (whether arrears or current demand) was collected should be entered in the proper grade.

(5) Return No. III shows the collections from interest on securities and the profits of companies and of registered firms, and as income-tax in all these cases is levied at the maximum rate, there is no need to compile the return according to grades of income. There should be no difficulty in giving the details regarding refunds or rebates (*i.e.*, the abatements of income-tax deducted at the source which are given effect to in assessing the "other income" of an assessee) from the register of refunds and rebates (I. T. 43).

(6) No difficulty should be experienced in filling up returns Nos. III and IV in cases where income-tax is collected in full from the assessees. Where income-tax is not collected in full in any one year, but is collected partly in one year and partly in another, the amount of income to be shown in respect of collections in any one year should bear the same proportion to the total income of the assessee chargeable to tax as the amount of tax collected bears to the total tax assessed.

(7) The simplest way of filling return No. IV is by careful maintenance of tabulation sheets (I. T. 45) in the manner described in paragraph 57. Otherwise it will be necessary to divide up the assessment records of a district or, where a circle is less than a district, of a circle into groups corresponding with the grades and to compile these statistics from each record, setting apart a sufficient number of forms for each group and entering for each assessee the details required for columns 3 to 17.

(8) Columns 3 and 4 in return No. IV will be based, in the case of salaries of Government officers not dealt with in \*special salary circles, on the information supplied to the Income-tax Officer under section 21 of the Act. Where an officer is transferred from one district to another during the year, the amount of the tax deducted and the amount of income in respect of which it is deducted in each district should be shown in the returns of that district. Such an assessee will, however, be entered in column 18 of the return only in the district in which the assessment for the year was made.

(9) Columns 8 and 9 of return No. IV will include all income of an assessee other than the income already accounted for in

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\* NOTE.—For the case of special salary circles paragraph 67 should be seen.



return No. III or in columns 3 to 7 of return No. IV. Where an assessee who has an income on which tax has been deducted at the source and which will have been shown in return No. III or in columns 3 and 4 of return No. IV has additional income which will have to be specified in columns 8 and 9, it must be carefully noted that, while those columns will merely show such additional income and the tax collected thereon, the amount of the income and of the tax must be entered against the grade of the income shown in column 2 which represents the total income of the assessee from all sources.

(10) Care must be taken that any person in receipt of salary from which income-tax is deducted before payment, who has also other income, is not included twice in column 18 in the number of assessees. No entries should be made in column 18 in respect of an assessee from whose salary tax is deducted by the Military Accounts Department or any department of the Government of India and the tax on whose salary is credited in the accounts direct to the Government of India. Where such assessee has, in addition to his salary, other income which is assessed by an Income-tax Officer (other than an Income-tax Officer in charge of a special salary circle) the amount of the additional income so assessed and the tax collected on such additional income should be entered in columns 8 and 9 according to the grade appropriate to the total income of the assessee, but such assessees should not be included in the number of assessees in column 18 since he will have already been included in the return made by the Imperial Department.

(11) If, as the result of an appeal, an assessee is transferred from one grade to another, he should be shown in the grade in which he is placed as the result of the appeal.

**87. Return No. V.**—Arrears should be included in ordinary collections in the same way as has been provided for in returns Nos. III and IV for income-tax. Penalties, fines, costs, excess collections and advance payments have been provided for in the foot-note.

**88. Return No. VI.**—Pending the revision of the form Commissioners of Income-tax should make yearly an analysis of the different sources of income in their provinces which are included under item "23—Others" and should send the analysis to the Board in manuscript along with the returns in order that a more satisfactory form of return may be devised. In addition a list should be sent of any important sources of income, most of the recipients of which are liable to income-tax only and not to super-tax.

**89. Return No. VII.**—This is self-explanatory.

**90.** Manuscript copies of the Provincial returns should reach the Board of Inland Revenue by the 15th June and printed copies by the 15th July. The printed copies should be accompanied by a brief report describing the conditions of the year and explaining any substantial variations in the figures as compared with those of the preceding year. In order that the returns may



be submitted by due date, Income-tax Commissioners should prescribe suitable dates for the submission of returns by Income-tax Officers. Where a whole-time income-tax staff is entertained, the Income-tax Officers should have no difficulty in preparing their returns before the end of April. This will avoid dislocation of assessment work.

91. The Act of 1922 prescribes that the information on which entries in columns 3 and 4 of return No. IV with regard to Government servants are usually based must be supplied to the Income-tax Officer within 30 days from the 31st of March as against the period of 15 days prescribed in section 16 of the Act of 1918. Every effort should, however, be made to secure that these returns are obtained from Treasury Officers and Accountants-General at an earlier date. When the system at present in vogue in some provinces of having all Government servants' salaries dealt with in one Income-tax Circle is introduced throughout India, it will be possible for the Income-tax Department itself to fill up these columns instead of obtaining the information from the Accounts Officers concerned.

#### B.—GENERAL INSTRUCTIONS REGARDING THE PREPARATION OF REPORTS AND REVIEWS.

92. A report should contain only the explanation of really important or suggestive variations in the statistics and the statement of really noteworthy facts in the history of the year's administration (*cf.* paragraph 90). No mere paraphrasing and reproduction of statistics should occur.

93. Similarly, a review should be strictly limited to comment or criticism on the general results, so far as comment or criticism is required. It should contain no precis or summary of the report.

94. All attempts to offer explanations of variations in the figures, which are not important or unusual, should be excluded unless the fact alleged in explanation is in itself important enough to demand mention. The idea that it is necessary to say something should be discarded and it should be recognised that the briefer a report is the better, if it says all that need be said to show an intelligent comprehension of the meaning of the facts and figures.

95. The body of the report should be almost entirely in narrative form: if occasionally it is necessary to introduce tables of comparative statistics into the narrative, such statements should be brief and simple, and their number rigidly restricted.

96. In the case of all reports for which statistical tables have been prescribed by the Board of Inland Revenue as appendices, no additional table should be appended to, and referred to, in the report without the previous sanction of the Board.



## CHAPTER VII.

## Office Procedure.

*A.—General.*

**97.** The hours of attendance in an income-tax office should be from 10 A.M. to 4 P.M. or from 11 A.M. to 5 P.M. or as Commissioners in the several provinces may determine. It is of importance that Income-tax Officers should be present at their offices at the time stated. They should encourage assesseees to visit them in connection with their assessments rather than that correspondence, often of a futile nature, should be undertaken. Officers when travelling in rural areas should advertise their tour well in advance and should also make the fact of their absence from headquarters known there.

**98.** A register of attendance for the ministerial establishment will be maintained in form S. 37.

**99.** In no case should clerks be permitted to take papers home.

Papers not be taken home.

Unauthorised registers.

**100.** The maintenance of unauthorised registers should be strictly forbidden.

**101.** An inspection book should be kept up in all income-tax offices in which the remarks of any officer making an inspection will be recorded.

Office inspection book.

*B.—Rules regarding method of correspondence.*

**102.** In all cases forwarded for orders, whether enclosures are submitted or not, all that is important in the case or necessary for the full exposition of the subject should be stated in the letter.

**103.** In quoting any letter the full numbering should be correctly given.

**104.** The practice should be avoided of transmitting with covering letters, a mass of enclosures containing unnecessary repetition of the information intended to be conveyed. No papers should be submitted which are not essential to a clear and precise understanding of the question referred; at the same time it is necessary to avoid the opposite extreme of supplying deficient and meagre information. In cases of minor importance, in cases in which the point at issue is simple and can be briefly stated, and in all cases where the mere report of an occurrence is made, the information should be conveyed by a single letter. In cases which involve an important principle or are intricate in details or have produced elaborate discussions which cannot be rightly conveyed by any abbreviations, the mass of the papers can rightly be forwarded.

**105.** The name and official designation of the writer should be specified in all letters and communications.

**106.** All officers are responsible for the matter and style of official letters issued in their names.



The use of vernacular terms in official reports and correspondence should be avoided; whenever it is considered desirable to employ such terms it should be in italics.

## Fifth List of corrections to the Income-tax Office Manual.

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Page 29—

For the existing paragraph 108, *substitute* the following:—

“108. The date at the head of any letter, order, etc., should be the date on which the draft is passed. Under every signature to a fair copy should be recorded the date of signature.”

MGIPC—SS—VIII-85—28-9-26—8,100.

... on the other hand, give rise to petitions and memorials protesting against the views of the reporting officer. Neither should copies of official letters from superior authority be ordinarily given. The parties concerned should be informed of the nature of the order that has been passed. Should any of them require a copy of the letter, he should be referred to the superior officer by whom the order was passed, and from whose office the letter issued.

### C.—Files and registers.

114. It has not been considered necessary to provide for minor matters, such as opening covers, etc. Every head of an office must understand that he is responsible for the prompt despatch of business, and must make arrangements to secure this.

General



**115.** It would be well if a supplementary set of rules were drawn up in each office, prescribing the duties of the different clerks and providing for other points of detail on which instructions may be required. An office order book should always be kept up and in this the supplementary rules and all orders relating to office matters should be entered.

**116.** A single file consists of every letter received and issued in the course of a consecutive correspondence on one subject, each paper being placed in chronological order, *i.e.*, the first letter issued or received at the bottom, the next above it, and so on, the letter of latest date being at the top. Each letter, immediately on being placed with the file, must be given a serial number, *i.e.*, the first letter will be serial number 1, the second serial number 2, and so on: supposing there are twenty letters in the file, the last letter will bear serial number 20. These serial numbers are useful for the purposes of referring to any paper, and also show if the file is complete. The loss of a letter will at once be detected by the fact that a serial number is missing. The series therefore must be carefully kept up.

**117.** With each letter should be kept any office notes which passed with regard to it.

**118.** The system of registering correspondence and files varies in the several provinces, the procedure adopted being that prescribed by the local Governments for district offices. The practice already observed may for the present be retained, the necessary registers being maintained in manuscript.

*D.—Procedure relating to correspondence other than correspondence regarding an assessment.*

**119.** As soon as a letter is received in the office, the date of receipt should be marked on it.

**120.** If the letter be the commencement of a fresh correspondence, and not in continuation of an existing file, it will form the basis of a new file which should at once be entered in the file register. The letter should also be marked serial number 1 in the file (*cf.* paragraph 116).

**121.** If the letter be in continuation of an existing file, the clerk will get out the file to which it belongs, assign to the fresh letter the next consecutive serial number of the series of letters in that file and place it on the top (*cf.* paragraph 116). If a reference is made to other files, they should be linked. Care must be taken, however, that the letters of different files are not mixed up; each file should always be tied up separately.



**122.** The case being complete, it should be submitted for orders, the date of submission being noted on the face of the docket thus:—S. 1-1 (meaning submitted for orders on the 1st of January). This will enable any delay in the office to be checked.

**123.** If a letter is written in reply, a fair copy will be made and submitted for signature, after which the clerk will—

- (a) add the despatch number and the date both to the draft, which is to remain in the office file, and to the fair copy, which is to issue;
- (b) despatch the fair copy, entering it by number and date and address, and number of enclosures, in the account of stamps prescribed in rule 132 or peon book, as the case may be;
- (c) assign to the draft its serial number in the file; and
- (d) then return the file, if no longer required, to its proper place in the order of its number in the shelf to which it belongs.

**124.** Reminders and replies to reminders issued or received should not be registered, but should be noted on the original letter. Office copies of reminders (where retained) should be destroyed when the reply is received or issued, and replies to reminders, if merely formal, should be destroyed when the reply to the original letter is issued or received.

**125.** When a letter issued forms the basis of a new file, the same procedure must be followed as in paragraph 120.

**126.** Circulars laying down rules of practice may be kept together in a book; any correspondence, however, to which they may give rise, must be made into a file, a copy of the circular being placed on it.

**127.** For the purpose of arrangement correspondence may be divided into two classes:—

- (a) files which are pending, *i.e.*, on which further correspondence is expected;
- (b) files which are closed and on which no more letters are likely to be received.

**128.** As the number of files in an income-tax office is not large, it will be sufficient if the two classes of files are kept on separate shelves.

**129.** Every file must be kept in its proper place in the shelf to which it belongs, except when it is in actual use. Clerks should not be allowed to let papers lie about on their desks or tables, and all files should be returned at the close of the day to their proper shelves.



Inspection by Assistant Commissioners.

**130.** All offices should be thoroughly inspected and reported on by Assistant Commissioners at least once a year.

**131.** A monthly list of undisposed cases should be submitted by Income-tax Officers to Assistant Commissioners and by Assistant Commissioners to the Commissioner.

Monthly return of unanswered references.

**132.** An account should be kept of the stamps received by each head clerk who will be personally responsible for their proper custody and expenditure. The register will also serve as a despatch book for covers sent by post.

Account of service postage stamps used for correspondence.

### *Security bonds.*

**133.** The attention of all officers is invited to the provisions of Act XII of 1850 (for avoiding loss by the default of public accountants), sections 1 and 2 of which require that security shall be taken from a public accountant for the purpose of this Act. A clerk should be treated as a public accountant in whose custody any public moneys, such as a permanent advance, remain.

**134.** The amount of security to be taken under paragraph 133 should be fixed at a sum equal to the maximum amount which he ordinarily has in his hands at any time. On this point, however, discretion is left to Assistant Commissioners and Income-tax Officers, subject to the control of Commissioners, and all officers should see that the sum left in the hands of their subordinate is not more than the amount of the security taken from such subordinates.

**135.** The security may be either in Government promissory notes (the market value, and not the face value, being taken) or in cash or in landed property (exclusive of house property) and in order to provide against cases in which discovery may be made, after the official has vacated his office, of defalcations made prior to such vacation of office, the security deposited by him should be retained for six months after the official has vacated his office.

**136.** A form of bond for use is appended after paragraph 138. In the case mentioned in the following paragraph, the portions of the bonds in brackets which relate to sureties should be omitted. Security bonds of officials should be kept under double lock in the treasury strong-room and not in the record room; and while cash and promissory notes lodged as security may be returned six months after vacation of office, bonds should be retained permanently, or until it is certain that there is no necessity for keeping them any longer.

**137.** When an official furnishes the security required of him by the deposit of Government promissory notes or cash, or by the



hypothecation of landed property, and executes the bonds appertaining thereto, he should not be required to find sureties also.

**138.** The adequacy of all securities should be annually scrutinised and if it appears to the head of the office that the sufficiency of the security is from any cause impaired, he should submit a special report to the Commissioner. Heads of offices will be held personally responsible for any neglect in the matter.

#### FORM OF SECURITY BOND.

KNOW all men by these presents that A. B. principal of..... (C. D. 1st surety of.....and E. F. 2nd surety of.....) are held and firmly bound unto the Secretary of State for India in Council in the sum of Rs. .... to be paid to the Secretary of State in Council, his successors or assigns, for which payment well and truly to be made we bind ourselves, our heirs, executors, administrators, and representatives.....sealed with our seals this.....day of.....19 ..

WHEREAS the above bounden.....was on the.....day..... 19 .., appointed to and now holds and exercises the office of.....; and WHEREAS by virtue of such office the said.....has, amongst other duties, the care of, and responsibility for the safe and proper storing and keeping of, in the places appointed for the custody thereof, (here detail money Government currency notes, stamps, goods, chattles or effects stored and received at.....); AND WHEREAS the said.....is bound, whenever called upon so to do, to show to his superior officer that the said property is at all times intact in the places aforesaid, and is bound to keep true and faithful account of the said property; AND WHEREAS the said.....in consideration of the said appointment (has delivered to and deposited with.....cash to the extent of Rs. ....) or (has delivered to and deposited with and endorsed to.....Government securities to the extent of Rs. .... as set forth in the schedule hereinafter) or (has mortgaged and hypothecated the landed property hereinafter set forth) for the purpose of in part securing and indemnifying the said Secretary of State in Council, his successors and assigns, against all loss and damage which he or they might suffer by reason of the said property or any part being wasted, embezzled, stolen, misspent, lost, dishonestly, negligently or otherwise, by himself, the said.....or any person acting for him in his said office during his absence or otherwise, for a period not exceeding three months, AND WHEREAS the said A. B. (and the said C. D. and E. F. as his the said A. B.'s sureties) have entered into the above bond in the penal sum of.....conditioned for the due performance by him, the said A. B., of the duties of the said office aforesaid and the other duties appertaining thereto, or which may lawfully be required of him, and the indemnity of the said Secretary of State for India in Council against loss from the acts or defaults of the said.....and of all and every the persons aforesaid;

Now the condition of the above written bond is such that if the said A. B. has, whilst he has held the office of.....always duly performed and fulfilled the said duties of the said office and other the duties aforesaid, and (if he the said C. D. and E. F.) shall indemnify the said Secretary of State for India in Council from all and every loss and damage which during the time the said A. B. has held executed and enjoyed the said office has happened, then this obligation shall be void and of no effect, otherwise the same shall be and remain in full force and virtue.

(Provided always and it is hereby agreed and declared that neither of them, the said C. D. and E. F., shall be at liberty to terminate their suretyship except upon the giving to the head of the office in which the said A. B. works of six calendar months' notice in writing of his or their intention so to do, and their joint and several liability under this bond shall continue in respect of all omissions and defaults on the part of the said A. B. until the expiration of the said period of six months).

And it is hereby lastly agreed and declared by and between the said A. B. (and the said C. D. and E. F. as his, the said A. B.'s, sureties) and the said Secretary of State that, on the vacation by the said A. B. of his said office of .....the above named (*moneys* where cash is deposited) (*securities* where promissory notes are deposited) shall not be at once returned to



him but shall be and remain with the said (head of the office) for the term of six months as security against any loss that may have been incurred by the Secretary of State for India in Council owing to the neglect or default of the said A. B. or any other person or persons aforesaid, and which may not have been discovered until after the vacation of his appointment by the said A. B. Provided always that the return at any time of the said (*moneys or securities* as the case may be) in case any breach of the conditions of the said bond shall be discovered after the return of the said (*moneys or securities* as the case may be) shall not be deemed to affect the right of the said Secretary of State to take proceedings upon the said bond against the said A. B. (principal and his sureties, C. D. and E. F.).



## CHAPTER VIII.

## Copies of records.

**139.** Copies of papers in assessment and miscellaneous records shall be granted only to the assessee to whom they relate or to some person duly authorised by him in this behalf. Copies of assessment orders are issued free of charge. Copies of other papers shall be issued in accordance with the general rules made in the province concerned for the issue of copies of papers in judicial records.

**140.** The date of the receipt of an application for a copy, the date on which the copy is ready and the date of the delivery of the copy to the applicant shall be noted on the back of the copy. The same dates shall be entered on the back of the application which, after issue of the copy, shall be placed in the miscellaneous record of the assessee concerned.

**141.** A list of applications for copies and of copies issued shall be maintained.



## CHAPTER IX.

**Retention and destruction of records and papers.**

Classes of records. **142.** The records in the Income-tax Department comprise—

- (a) assessment records;
- (b) returns of income;
- (c) miscellaneous records;
- (d) records of appeals and reviews; and
- (e) ordinary correspondence, registers, etc.

**143.** The assessment record of any year shall be retained for 12 years. In other words, when an assessment in the 13th year is made, the papers concerning the first year in the record will be removed and destroyed, except (i) one record of an assessment made under the Indian Income-tax Act of 1918 which must be retained permanently with reference to section 25 (3) of the Indian Income-tax Act, 1922, and (ii) the record of the assessment made in 1920-21 which must be retained permanently in connection with Devolution Rule 15. The date of destruction shall be entered under the initials of the income-tax officer on the cover of the assessment record. The depreciation record which is kept in the assessment record shall be retained permanently.

**144.** The two latest forms of return of income shall be kept in the assessment record. When in any year a third return is being placed in the record the personal clerk will remove that of the first year. Returns shall be placed in bundles and destroyed after five years except in the case of companies of which the returns (together with the balance sheets) may be kept for 12 years.

**145.** Miscellaneous records shall be retained for three years counting from the last day of the year to which the record relates.

**146.** Records of appeals and reviews decided by Assistant Commissioners and Commissioners shall be retained for five years.

**147.** The following registers and books shall be retained for the periods mentioned against each and shall then, where necessary, be destroyed:—

Class of register, etc.	Period of retention.
(1) General Index . . . . .	Five years after consignment to records. When the five-year portion is removed in any year, the sheets in question may be destroyed after one year.
(2) Register of demand and collections .	Ten years.
(3) Classified register of demand . . .	Three years.



Class of register, etc.	Period of retention.
(4) Register of refunds . . . . .	Three years.
(5) Salary registers . . . . .	Three years after consignment to records.
(6) Register of daily collections . . . . .	Three years.
(7) Counterfoils of refund vouchers . . . . .	Three years.
(8) Office order book . . . . .	To be destroyed when standing orders still in force have been copied into a new book and attested by the officer in charge of the office.
(9) Register of letters received and issued (where maintained). . . . .	Five years.
(10) File register . . . . .	Permanently.
(11) Station dāk book or peon book . . . . .	One year.
(12) Register of service postage stamps . . . . .	Three years after completion.
(13) Circular letters . . . . .	Permanently unless otherwise ordered by the Commissioner.
(14) Office inspection books . . . . .	Five years after completion.
(15) Character rolls . . . . .	One year after preparation of a revised character roll duly attested, by the officer in charge of the office. In case of dismissal to be filed in the record of punishment, otherwise to be destroyed after three years from grant of pension or gratuity or, if no pension or gratuity is given, from cessation of service.
(16) Register of contingencies . . . . .	Five years.
(17) Attendance register . . . . .	One year.
(18) Register of office furniture . . . . .	To be retained until a revised register duly attested by the head of the office is prepared.
(19) Acquittance roll . . . . .	35 years after completion.
(20) Leave register . . . . .	Three years.
(21) Salary bill book of ministerial or gazetted officers.	35 years.
(22) Travelling allowance bills . . . . .	Five years after completion.
(23) Service books . . . . .	In case of dismissal to be filed in the record of punishment; otherwise to be made over to the official concerned. In cases where there is no one to whom they may be made over, to be destroyed after three years from the grant of pension or gratuity, or if no pension or gratuity is given, from cessation of service.



Class of register, etc.	Period of retention.
(24) Register of stationery and forms . . . . .	Three years after completion.
(25) Graphs . . . . .	Three years.
(26) Stock book of forms . . . . .	Three years after completion.
(27) Register of books and publications . . . . .	Permanently or until replaced.
(28) Register of appeals, reviews and references.	Three years after completion.
(29) Register of registered firms . . . . .	Five years after completion.
(30) Register of copies . . . . .	One year after completion.

Correspondence, etc. **148.** *Correspondence on the following subjects shall be retained permanently:—*

1. Revision of establishments;
2. Revision of contract grants;
3. Grant and revision of permanent advances;
4. General rulings by the Government, the Board of Inland Revenue or Income-tax Commissioners (unless incorporated in a manual when they may be destroyed).

**149.** *Correspondence on the following subjects shall be destroyed after the expiry of 35 years:—*

1. Exemption of officials from the education test;
2. Exemption of officials from the age rules;
3. Exemption of officers from departmental examinations;
4. Postal life insurance and provident fund.

**150.** *Correspondence, etc., relating to the following subjects shall be destroyed after five years:—*

1. Superannuation of non-gazetted and menial establishment;
2. Purchase of tents;
3. Application for additional grant or re-appropriation of funds;
4. Powers of officers;
5. Annual indent for forms;  
also
6. Tabulation sheets.

**151.** *Correspondence, etc., relating to the following subjects shall be destroyed after three years:—*

1. Forms;
2. Furniture;



3. List of unanswered references;
4. Examination of junior officers;
5. Stationery;
6. Inspection of income-tax offices by Commissioners and Assistant Commissioners;
7. Transfer of non-gazetted officers;
8. Extension of service to particular officers over 55 years of age;
9. Extract from inspection notes sent for action;
10. Misconduct of an officer, after he ceases to be in service;
11. Punishment of Government servants, after final orders have been carried out and the entry has been made in the service book;
12. Revision and abolition of forms and returns;
13. Enquiries about procedure;
14. Purchase and supply of books;

*also*

15. Invoice accompanying the remittance of income-tax on salaries (I. T. 2);
16. Statement of particulars furnished by persons responsible for paying interest on securities other than those of the Government of India (I. T. 3);
17. Annual return under section 21 (I. T. 4);
18. Schedule of income-tax deductions from salaries (I. T. 47).

**152.** *Correspondence relating to the following subjects shall be destroyed after one year:—*

1. Death reports of Government servants;
2. Leave of absence of non-gazetted establishment, after expiry of leave and entry in the service book;
3. Verification of securities taken from public accountants, after next verification;
4. Forms, furniture, tents, etc., received from any source;
5. Petitions for employment and other miscellaneous applications;
6. Transfer, posting and leave of gazetted officers (including charge certificates) of which there is a permanent record in the gazette;
7. Loan of forms and other office articles and furniture to and from other offices;
8. Local and other special holidays;



9. Visits of inspecting officers and reports as to local practice or procedure;
10. Repairs of office machines, instruments and furniture;
11. Occupation of Public Works Department inspection bungalows by officers of the Income-Tax Department when on tour;
12. Bills sent for pre-audit to the Accountant-General, after pre-audit;
13. Sale and advance of books, instruments, forms and other articles on behalf of Government;
14. Persons sent to a Civil Surgeon for examination.

153. The annual administration reports and returns shall be retained permanently or until their destruction is ordered by the Commissioner. All other reports and returns shall be destroyed after three years unless the Commissioner or the Assistant Commissioner thinks it advisable, for special reasons, to retain them for a longer period.

154. In all correspondence, explanations of delay on mere matters of routine, such as those returning enclosures, shall be destroyed when the file is closed before consignment to record, and the originals of such reports and statements as are printed shall be destroyed on receipt of printed copies. Also if general questions and particular instances have been dealt with in the same file, and the period fixed for the retention of the correspondence in the general questions differs from that fixed for the correspondence regarding the particular instance, the file shall be divided into two or more parts to facilitate weeding.

155. Before a file is consigned to record, a label shall be affixed (to each part if the file has been divided) to show the period of retention. The head clerk or personal assistant shall personally initial each label after it is affixed, satisfying himself that it is appropriate.

156. In other cases than those mentioned in paragraphs 143—145 the papers for destruction shall be selected by the head clerk and submitted for the inspection of the officer in charge of the office; no papers shall be destroyed without the orders of that officer who shall satisfy himself that they are not of sufficient importance to be preserved. The duties of the head clerk shall be clearly explained to him by the officer in charge of the office.

157. Records of importance special to the district or circle shall be referred to the officer in charge of the office for special orders.

158. The time during which the papers shall be kept shall be counted from the commencement of the financial year following the year to which the paper relates.



159. The following register shall be maintained in manuscript to show the date of destruction of a particular register:—

*List of registers destroyed.*

Serial No.	Description of register.	Date of destruction.	Signature of head clerk to attest destruction.	Initials of officer in charge of office.	REMARKS.



160. A register in the following form shall be maintained by the clerk weeding the files:—

[illegible]

**161.** If all the papers in a file are destroyed an entry shall be made in the file register as follows:—

Whole file destroyed in my presence. Date—

Signature of officer in charge of office\_\_\_\_\_

Initial of head clerk\_\_\_\_\_

If certain letters only are destroyed the number of each letter destroyed shall be noted under the signature of the officer in charge of office and the initials of the head clerk.

162. The papers finally selected for destruction shall be torn up into small pieces and burnt; on no account shall they be made over to private persons.

**163.** In all cases of registers and correspondence not dealt with in the foregoing rules, the period of retention shall be fixed by the Commissioner.



## CHAPTER X.

## Miscellaneous.

**164.** It is of the greatest importance that close and cordial relations should be maintained between the Income-tax Department and district authorities. Commissioners when visiting districts should, as a general rule, take the opportunity of conferring with the District Officer (and, when the district is a divisional headquarters, with the Commissioner as well) on any matter affecting the department and the general administration. Assistant Commissioners when visiting districts should invariably meet the District Officer, and Income-tax Officers, except in areas such as the Presidency-towns, should call on the head of the district from time to time.

**165.** In cases where an assessee, who desires to have his name included in an electoral roll for a Legislative Council or for the Legislative Assembly or the Council of State, does not wish to produce his notice of demand in support of his claim because of the disclosure of information contained in it, a certificate should be issued to him free of charge by the Income-tax Officer to the effect either that he is an assessee or that he is assessed on, or above, a certain amount of income, and care should be taken to secure the issue of the certificate as early as possible. Similarly, where inclusion in an electoral roll depends on the payment of tax, the assessee should be granted a certificate of payment by the Income-tax Officer free of cost, if he does not wish to present his income-tax receipt.

**166.** Consolidated indents for forms required during the next financial year should be forwarded in form I. T. 60 by Commissioners of Income-tax for their provinces so as to reach the Board on the 7th September in each year and should be accompanied by the detailed indents of each indenting officer. Suitable dates should be prescribed by Commissioners for the submission of indents by officers subordinate to them.

**167.** A stock-book of stationery and forms should be maintained in each office in form I. T. 61. It should be checked periodically by the Income-tax Officer or some gazetted officer specially deputed by him for the purpose and should also be examined by the Assistant Commissioner once every year.

**168.** A register of furniture and other property belonging to the office and should be verified once a year by the officer in charge. The register should also be examined by the Assistant Commissioner once every year.



**169.** A copy of the Government servants conduct rules should be supplied to each gazetted officer on first appointment.

**170.** Copies of charge certificates should be sent to the Commissioner of Income-tax, Assistant Commissioners of Income-tax and the Accountant-General, and also, where the officer belongs to the Indian Civil Service, to the local Government. Copies of the charge certificate of Commissioners of Income-tax should be forwarded to the local Government, the Board of Inland Revenue and the Accountant-General.

**171.** Assistant Commissioners should submit a confidential note on each gazetted officer in their respective charges in the month of April each year. If the Commissioner records an adverse note in the confidential roll of an officer and such note, taken either by itself or in conjunction with the previous record, will adversely affect promotion, the Commissioner should (unless the reason for his adverse comment is innate stupidity or incompetence) communicate it to the officer concerned and note that this has been done.

**172.** The same holidays will be observed in the Income-tax Department as are prescribed by the local Government for revenue offices in the province concerned.

**173.** Copies of the tour programmes of Income-tax Officers and Assistant Commissioners of Income-tax should be forwarded to the Assistant Commissioners and Commissioner respectively. The tours of Income-tax Officers should be so arranged, whenever possible, that it is unnecessary to visit the same locality more than once during a fiscal year.

**174.** In certain provinces Commissioners of Income-tax receive fortnightly returns from Assistant Commissioners showing the state of the appellate work in their respective charges. Commissioners are authorised to call for this information in such form as they think suitable.

**175.** Applications for reappropriation of funds should reach the sanctioning authority not later than February 15.



## APPENDIX.

*A.—List of special income-tax forms.*

No. of form.	Description of form.
*I. T. 1	Form of application for registration of a firm under section 2 (14) of the Indian Income-tax Act, 1922.
I. T. 2	Invoice to accompany the remittance of income-tax on "salaries" to the Income-tax Officer for payment into the treasury under section 18(6) of the Indian Income-tax Act, 1922, for the month of _____ 192 , where deduction is not made by or on behalf of Government.
I. T. 3	Statement of particulars to be furnished by the person responsible for paying interest on securities where deduction of income-tax is not made by or on behalf of Government.
*I. T. 4	Form of annual return of employees to be delivered to the Income-tax Officer under section 21 of the Indian Income-tax Act, 1922.
I. T. 5	Memorandum of enquiry concerning assessee omitted from return in form I. T. 4.
I. T. 6	Reminder to remit income-tax collected on salaries of employees.
I. T. 7	Notice calling on a company for a return of total income with the profit and loss account under section 22 of the Indian Income-tax Act, 1922.
*I. T. 8	Form of return of total income of a company under section 22 (1) of the Indian Income-tax Act, 1922.
*I. T. 9	Form for the purpose of obtaining an allowance for depreciation under proviso (a) to section 10 (2) (vi) of the Indian Income-tax Act, 1922.
I. T. 10	Notice under section 22 (2) of the Indian Income-tax Act, 1922.
*I. T. 11	Form of return of total income for individuals, firms and Hindu undivided families under section 22 (2) of the Indian Income-tax Act, 1922.
I. T. 12	Notice under section 22 (4) of the Indian Income-tax Act, 1922.
I. T. 13	Notice under section 23 (2) of the Indian Income-tax Act, 1922.
I. T. 14	Summons to witnesses under section 37 of the Indian Income-tax Act, 1922.
*I. T. 15	Notice of demand under section 29 of the Indian Income-tax Act, 1922.
*I. T. 16	Form of appeal under section 30 (3) of the Indian Income-tax Act, 1922.
*I. T. 17	Form of appeal under section 32 (2) of the Indian Income-tax Act, 1922.
I. T. 18	Notice of date fixed for the hearing of an appeal under section 33 of the Indian Income-tax Act, 1922.
I. T. 19	Notice imposing a penalty under section 46, Indian Income-tax Act, 1922.
I. T. 20	Certificate under section 46 (2) of the Indian Income-tax Act, 1922.
I. T. 21	Distress warrant [section 46 (3) of the Indian Income-tax Act, 1922].
*I. T. 22	Application for refund of income-tax under section 48 of the Indian Income-tax Act, 1922.
I. T. 23	Income-tax return No. I.
I. T. 24	Income-tax return No. II.
I. T. 25	Income-tax return No. III.
I. T. 26	Income-tax return No. IV.
I. T. 27	Income-tax return No. V.
I. T. 28	Income-tax return No. VI.
I. T. 29	Income-tax return No. VII.
I. T. 30	Assessment form.

\* These forms are prescribed by the statutory rules under the Income-tax Act.



*List of special income-tax forms—concl'd.*

No. of form.	Description of form.
I. T. 31	Form of chalan [in six colours (besides white) for provinces where there are several salary circles or several circles in one city].
I. T. 32	Form of order for refund of income-tax [in six colours (besides white) for provinces where there are several salary circles or several circles in one city].
I. T. 33	Form of certificate to be given to a person desirous of securing deduction of income-tax at a rate less than the maximum rate on interest received on securities.
I. T. 34	Form of application for refund of income-tax from residents in Indian States in cases where interest on Government securities is drawn from a British treasury in an Indian State.
I. T. 35	Form of certificate to be given by Political Officers to residents in Indian States desirous of securing deduction of income-tax at a rate less than the maximum rate on interest on Government securities drawn from a British treasury in an Indian State.
I. T. 36	Form of index register—permanent record.
I. T. 37	Form of index register—five-year record.
I. T. 38	Form of income-tax miscellaneous record.
I. T. 39	Form of order sheet.
I. T. 40	Form of income-tax assessment record.
I. T. 41	Form of register of demand and collections.
I. T. 42	Form of classified register of demand.
I. T. 43	Form of register of refunds and rebates.
I. T. 44	Form of register of daily collections.
I. T. 45	Tabulation sheet.
I. T. 46	Form of depreciation record.
I. T. 47	Form of schedule of income-tax deductions for civil salary circles.
I. T. 48	Form of register of tax on salaries.
I. T. 49	Form of register of tax recovered on interest on securities of local authorities and companies.
I. T. 50	Form of enquiry regarding income of branch firms.
I. T. 51	Form of enquiry regarding assessment of branches of firms.
I. T. 52	Form of certificate of assessment to income-tax at a head office.
I. T. 53	Register of assessee in whose case certificates under section 64 are issued.
I. T. 54	Survey returns.
I. T. 55	Survey returns submitted by inspectors.
I. T. 56	Form of property register.
I. T. 57	Tear-off acknowledgment slip for notices of any kind.
I. T. 58	Form of certificate for electoral purposes.
I. T. 59	Form of appellate order.
I. T. 60	Form of annual indent for forms.
I. T. 61	Form of stock book of forms and stationery.
I. T. 62	Form of character roll
I. T. 63	Kaidaks or file bands.

*B.—Forms.*



Form of application for registration of a firm under section 2 (14) of the Indian  
Income-tax Act, 1922 (Rule 3).

To

THE INCOME-TAX OFFICER,

Dated \_\_\_\_\_ 192

I \_\_\_\_\_ beg to apply for the registration of  $\frac{\text{my}}{\text{our}}$  firm  
We \_\_\_\_\_  
under section 2 (14) of the Indian Income-tax Act, 1922.

2.  $\frac{\text{The original}}{\text{A certified copy}}$  of the instrument of partnership under which the firm is consti-  
tuted specifying the individual shares of the partners together with  $\frac{\text{a copy}}{\text{duplicate copy}}$  is  
enclosed. The prescribed particulars are given on the reverse.

3.  $\frac{\text{I}}{\text{We}}$  do hereby certify that the profits for the year ending  
 $\frac{\text{have been}}{\text{will be}}$  actually divided or credited in accordance with the shares shown in this  
partnership deed.

Signature \_\_\_\_\_

Address \_\_\_\_\_

[P. T. O.]



Name and address of the firm.	Names of the partners in the firm with the share of each in the business.	Date on which the instrument of partnership was executed.	Date, if any, on which the instrument of partnership was last registered in the Income-tax Officer's office.	REMARKS.

I \_\_\_\_\_ do hereby certify that the information given above is correct.  
We

Signature(s) \_\_\_\_\_



Total salary, &c.	Rate.
When the estimated income from salary, commission, bonus, &c., is Rs. 5,000 or more but is less than Rs. 10,000 per annum.	Six pies in the rupee.
When the estimated income from salary, commission, bonus, &c., is Rs. 10,000 or more but is less than Rs. 20,000 per annum.	Nine pies in the rupee.
When the estimated income from salary, commission, bonus, &c., is Rs. 20,000 or more but is less than Rs. 30,000 per annum.	One anna in the rupee.
When the estimated income from salary, commission, bonus, &c., is Rs. 30,000 or more but is less than Rs. 40,000 per annum.	One anna and three pies in the rupee.
When the estimated income from salary, commission, bonus, &c., is Rs. 40,000 or more per annum.	One anna and six pies in the rupee.

6. If any member of your establishment makes payments to an insurance company on account of life insurance he may be allowed a rebate of the tax on his submitting the receipts of the insurance company for the payments made which should be sent on to this office for scrutiny. Rebate to the extent of only one-sixth of the total income from salary, commission, &c., is allowable in a year.

7. Any excess or deficiency arising out of any previous deduction of tax can be adjusted at the time of any subsequent deduction of tax.

No.                      OF 192 -192 .

INCOME-TAX OFFICE,

Dated

192 .

Forwarded to  
previous correspondence.

with reference to

- Income-tax Officer.



**List of persons in receipt of salaries, pensions, annuities, gratuities, commissions, bonus, &c., with the amount of tax recovered from them.**

NAME.	Period for which the salary, etc., has been paid.	State or other U.S. property	Salary	House-rent allowance or value of rent-free quarters.	Commission, bonus or other allowances.	Total of columns 3 to 5.	Amount claimed as deduction on account of insurance or provident fund payments.	Net amount on which tax is recovered.	Amount of tax recovered.	REMARKS.
39.7./25	2	3	9.4	5.4	5.6	6.7	7.5	8	9.20	-10 //
Revised 1925.										
Total amount of tax									Rs.	

I, \_\_\_\_\_, do hereby declare that the above return is correctly prepared in accordance with section 18 of the Income-tax Act of 1922.

Dated

192

(Signature of the officer making the return.)



Statement of particulars to be furnished by the person responsible for paying interest on securities where deduction of income-tax is not made by or on behalf of Government.

Description of securities.	Numbers of securities.	Dates of securities.	Amounts of securities.	Period for which interest is drawn.	Amount of interest.	Amount of tax.	
			<i>Rs.</i>		<i>Rs</i>	<i>Rs.</i>	<i>a.</i>

Signature\_\_\_\_\_

Designation\_\_\_\_\_



## INCOME-TAX OFFICE:

To

Dated

192 .

GENTLEMEN,  
SIR,

I have the honour to invite your attention to section 21 of the Indian Income-tax Act, 1922, and to request that you will be so good as to furnish the return of employees in the accompanying form within the period stated therein. Failure to do so will render you liable to a fine extending to Rs. 10 for every day during which the default continues under section 51 (c) of the Act.

2. House-rent allowances and the value of rent-free quarters of an employee and the cost of board provided by the employer form additions to the remuneration of an employee, even when residence in a particular town or building is necessary for the proper performance of the employee's duties. Such allowances or perquisites cover expenses of a personal character which the employee would otherwise have to incur and are, therefore, taxable and should be specified and included as income in column 6 of the return.

3. Salary or any portion thereof paid outside British India for services in British India is liable to income-tax and it should also be shown in the return.

4. Information regarding payment of any salary, allowance, benefit or perquisite which is taken as exempt and not included in column 5 or 6 of the return may be given in the remarks column.

I have the honour to be,

Gentlemen,  
Sir,

Your most obedient Servant,

Income-tax Officer.



Return under section 21 of the Indian Income-Tax Act, 1922, to be made within thirty days from the 31st day of March in each year by the prescribed person in the case of every Government office, and the principal officer or the prescribed person in the case of every local authority, company or other public body or association and every private employer.

Designation of {  
 Government office  
 Local authority  
 Company  
 Public body  
 Association  
 Private employer

Serial No.	Name of person.	Postal address of residence.	Appoint-ment or nature of employment.	Total amount of salary, wages, annuity or pension paid during the year ending on 31st March 192 .	Amount of gratuity, fees, commissions, perquisites (including rent-free quarters) or profits in lieu of or in addition to salary or wages.	Total of columns 5 and 6.	Deductions: (1) proviso, section 15.	Net amount chargeable.	Amount of tax payable.	Reduction under section 17.	Amount of tax deducted.	REMARKS.
1	2	3	4	5	6	7	8	9	10	11	12	13
				Rs.	Rs.	Rs.	Rt:	Rs.	Rs.	a.	Rs.	a.

I certify that the above statement contains a complete list of the total amount paid by all persons who were receiving income on the 31st day of March 192 at the rate of Rs. 1,600 per annum, or have received during the year ended on that day not less than Rs. 1,600, in respect of salary, wages, annuity, pension, gratuity, fees, commissions, perquisites or profits in lieu of or in addition to salary or wages and that all the particulars stated are correct.

Dated

Signature of person by whom the return is delivered.



To

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INCOME-TAX OFFICE:

Dated

19 .

*Memorandum.*

Reference your statement of income-tax in respect of the salaries of employees for . Will you kindly let me know the circumstances in which the name of has been omitted therefrom. If he has left your service please communicate to this office the date on which he left, the amount of salary, commission, bonus, &c., paid, if any, at the time of his leaving the service, as also his present address and the place where he has been employed since leaving your service, if known.

I shall feel obliged by your kindly adding in future explanatory notes in cases of any omissions to avoid correspondence.

Income-tax Officer.



## INCOME-TAX OFFICE:

Dated

19 .

To

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\_\_\_\_\_ <sup>is</sup>/<sub>are</sub> requested to be so good as to remit to this office the amount of the income-tax due on the salaries of <sup>his</sup>/<sub>their</sub> employees for the months of

at <sup>his</sup>/<sub>their</sub> earliest convenience.

Income-tax Officer.



Notice calling on a company for a return of total income  
with the profit and loss account under section 22 of the  
Indian Income-tax Act, 1922.

\_\_\_\_\_  
INCOME-TAX OFFICE, \_\_\_\_\_

*Dated* \_\_\_\_\_ 19 .

To

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

1. You are hereby reminded of the provisions of section 22 (1) of the Indian Income-tax Act, 1922, under which you are hereby required to prepare a true and correct return of total income in the attached form, so far as it is applicable to your case, and to deliver it to me at my office, duly signed by you as the principal officer of the company, on or before the 15th of June 19 .

2. The return should be accompanied by a copy of the profit and loss account referred to therein.

3. For the purposes of obtaining an allowance for depreciation under section 10 (2) (vi) of the Indian Income-tax Act, 1922, you are required to furnish particulars to the income-tax office in the attached form.

\_\_\_\_\_  
*Income-tax Officer.*



**FORM OF RETURN OF TOTAL INCOME OF A COMPANY UNDER SECTION  
22(1) OF THE INDIAN INCOME-TAX ACT, 1922.**

Income-tax year 19 -19 .

Name of Company \_\_\_\_\_

Its principal place of business \_\_\_\_\_

**Income, profits or gains from business, trade, commerce.**

		Rs.	A.
Income, profits or gains as per profit and loss account for the year ended _____ 19			
<i>Add</i> any amount debited in the accounts in respect of—			
1. Reserve for bad debts			
2. Sums carried to reserve for provident or other funds			
3. Expenditure of the nature of charity or presents			
4. Expenditure of the nature of capital			
5. Income-tax or super-tax			
6. Rental value of property owned and occupied			
7. Cost of additions to, or alterations, extensions, improvements of, any of the assets of the business.			
8. Interest on reserve or other funds			
9. Losses sustained in former years			
10. Losses recoverable under an insurance or contract of indemnity			
11. Depreciation of any of the assets of the business			
12. Expenses not incurred solely for the purpose of earning the profits			
<b>TOTAL</b>			
<i>Deduct</i> —Any profits included in the accounts already charged to Indian income-tax and the interest on securities of the Government of India or local Governments declared to be income-tax free.			
<b>BALANCE</b>			

If the Company owns any property not occupied for the purposes of the business a statement in the form prescribed in the schedule overleaf should be attached with particulars of the credit and debit on account of such property entered in the accounts.

**Declaration.**

I, the \_\_\_\_\_ (Secretary, etc, see section 2 (12) of the Act) of the (name of Company), declare that the information against each head in this return is correctly given as shown in the books of the Company, as also in the accounts which have been duly audited by the auditors of the Company and which have been adopted by the shareholders of the company.

Signature

Designation

Date 19 .

**N.B.**—This return must be accompanied by a copy of the profit and loss account referred to above.

[P. T. O.]



Schedule referred to overleaf.

Serial number.	Name of village or town where the property is situated.	Name of mohalla or street and number of property, if any.	In the case of municipalities the name of the person in whose name the property stands in the municipal registers.	Whether the property is occupied by owner or is let.	Annual letting value of the property.	Amount of rent actually received for the property if let.	DEDUCTIONS.						Total of columns 8 to 13.	Net amount to be carried over to the front of the form.
							One-sixth of the annual letting value shown in column 6.	Premium paid to insure the property against damage or destruction.	Interest paid on a mortgage or charge on the property.	Ground rent paid for the property.	Land revenue paid for the property.	Collection charges paid.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15



Form for the purpose of obtaining an allowance for depreciation under proviso (a) to Section 10 (2) (vi) of the Indian Income-tax Act, 1922.

Description of buildings, machinery, plant or furniture.	Capital expenditure during the year for additions, alterations, improvements and extensions.	Date from which used for the purposes of the business.	Particulars (including original cost, depreciation allowed and value realised by sale or scrap value) of obsolete machinery, plant or furniture sold or discarded during the year, with dates on which first brought into use and sold or discarded.	REMARKS.
1	2	3	4	5
	Rs.			

I \_\_\_\_\_ declare that to the best of my information the buildings, machinery, plant and furniture described in column 1 of the above statement were the property of \_\_\_\_\_ during the year ended \_\_\_\_\_ and that the particulars entered in the statement are correct and complete.

Place \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_ 19 .

Designation \_\_\_\_\_



# **Notice under section 22 (2) of the Indian Income-tax Act, 1922.**

(For assesseees other than Companies.)

No. \_\_\_\_\_

INCOME-TAX OFFICE, \_\_\_\_\_

Dated \_\_\_\_\_ 19 .

To \_\_\_\_\_

1. In pursuance of the provisions of section 22 (2) of the Indian Income-tax Act, 1922, you are hereby required to prepare a true and correct statement of <sup>your</sup> <sub>your firm's</sub> total income during the previous year in the attached form and to deliver it to me at my office duly signed by you on or before \_\_\_\_\_ 19 <sup>or within</sup> <sub>of the receipt of this notice (should be given by less than 30 d</sub> on behalf of your firm

2. The income to be returned is the total income from all sources during the "previous year," i.e., either (i) the twelve months ending on the 31st March, 19 ; or (ii) if the accounts have been made up within the said twelve months in respect of a year ending on any other day than the said 31st March 19 , then, at your option, the year ending on the day up to which the accounts have been so made up. This option, if it has been exercised by you on a previous occasion, cannot, however, be again exercised now so as to vary the meaning of the expression "previous year" as then applicable to you except with my consent.

3. (To firms only) A partner in the firm should also make a separate statement of his total income.

4. The form contains the instructions required for the preparation of the return. If you desire any further information you should apply to this office.



# **FORM OF RETURN OF TOTAL INCOME FOR INDIVIDUALS, FIRMS AND HINDU UNDIVIDED FAMILIES UNDER SECTION 22 (2) OF THE INDIAN INCOME-TAX ACT, 1922.**

**Incom-tax year 19 -19 .**

*Name of assessee*

*Designation*

*Address*

## **Statement of total income during the previous year.**

1	2	3
Sources of income.	Amount of profits or gains or income during the previous year.	Tax already charged on the income.
	Rs.	Rs. A.
1. Salaries (including wages, annuity, pension, gratuity, fees, commission, allowances, perquisites, including rent-free quarters) or profits received in lieu of, or in addition to, salary or wages . [See note (1)]		
2. Interest on securities (including debentures) already taxed . . . . . „ (2)		
3. Interest on securities of the Government of India or of local Governments declared to be income-tax free . . . . . „ (3)		
4. Property as shown in detail in schedule A . . . . . „ (4)		
5. Business, trade, commerce, manufacture, or dealings in property, shares or securities (details as in note 5) . . . . . „ (5)		
6. Profession . . . . . „ (6)		
7. Dividends from companies . . . . . „ (7)		
8. Interest on mortgages, loans, fixed deposits, current accounts, etc. <i>not being income from business.</i>		
9. Ground rent . . . . .		
10. Any source other than those mentioned above . . . . . [See note (8)]		
Total .		
Deductions claimed on account of contributions to provident fund, etc., or insurance premia (see note 9).		



I declare that to the best of my knowledge and belief the information given in the above statement is correct and complete, that the amounts of income shown are truly stated and relate to the year ended \_\_\_\_\_ and that no other income accrued or arose or was received by <sup>me</sup> <sub>the firm</sub> during the said year and that <sup>I</sup> <sub>the firm</sub> have no other sources of income.

Date \_\_\_\_\_ Signature \_\_\_\_\_

**N.B.**—(a) *Income accruing to you outside British India received in British India is liable to taxation, and must be entered by you in the form.*

(b) *All income from whatever source derived must be entered in the form, including income received by you as a partner of a firm.*

**Note 1.**—In column 2 should be shown the gross amount of salary and not the net amount after deductions on account of income-tax, provident funds, etc.

**Note 2.**—“Interest on securities” means the interest on promissory notes or bonds issued by the Government of India or a local Government, or the interest on debentures or other securities for money issued by or on behalf of a local authority or company. Where income-tax has been deducted from the interest, or where the interest has been paid income-tax free, the amount of tax so deducted or paid should be added to the amount of interest actually received, and the gross amount so arrived at should be entered in column 2 of the statement. The term “interest on securities” does not include interest on fixed deposits or mortgages or other loans, which have to be shown under heading 8.

The interest on securities of the Government of India or of local Governments declared to be income-tax free should be shown under head 3. Those which are not declared to be income-tax free should be included under this head.

Entries under this head must be supported by the certificate issued by the person or company paying the interest under section 18 (9) of the Act.

**Note 3.**—(a) The income-tax payable on the interest receivable on a security of a local Government issued income-tax free is payable by the local Government and not by the holder of the security.

(b) Only the interest on securities of the Government of India or of a local Government declared to be income-tax free should be entered against this head. Such interest will not be charged to income-tax but it must be included in the statement of total income in order to ascertain the rate of income-tax chargeable on other income. *It is chargeable to super-tax.*

(c) Particulars of any interest on securities issued by other authorities and stated to be free of income-tax should be entered against head 2, as income-tax on such interest is actually paid by these authorities on behalf of the recipients.



**Note 4.**—The tax is payable under this head in respect of the *bonâ fide* annual value of any buildings or lands appurtenant thereto, of which you are the owner, other than such portions of such buildings and lands as you may occupy for the purpose of your business.

**Note 5.**—(a) Where you keep your accounts on the mercantile accountancy or book profits system, you must file a return in the following form:—

Income, profits or gains from business, trade, commerce.

	Rs.	A.
Income, profits or gains as per profit and loss account for the year ended—19 .		
Add any amount debited in the accounts in respect of—		
1. Reserve for bad debts . . . . .		
2. Sums carried to reserve for provident or other funds . . . . .		
3. Expenditure of the nature of charity or presents . . . . .		
4. Expenditure of the nature of capital . . . . .		
5. Income-tax or super-tax . . . . .		
6. Drawings or salary of proprietor or partners . . . . .		
7. Rental value of property owned and occupied . . . . .		
8. Cost of additions to, or alterations, extensions, improvements of, any of the assets of the business.		
9. Interest on the proprietor's or partner's capital, including interest on reserve or other funds.		
10. Losses sustained in former years . . . . .		
11. Losses recoverable under an insurance or contract of indemnity . . . . .		
12. Depreciation of any of the assets of the business . . . . .		
13. Private or personal expenses and expenses not incurred solely for the purpose of earning the profits.		
TOTAL .		
Deduct.—Any profits included in the account already charged to Indian income-tax and the interest on securities of the Government of India or of local Governments declared to be income-tax free.		
Balance . . . . .		

(Signature of the person making the return.)

Dated—19 .



Where you do not keep your accounts in such a form, you must file a statement showing how you arrive at the taxable profits, *i.e.*, showing details of the gross receipts and of the expenditure you propose to set against those receipts. No deductions are permissible on account of—

- (i) Property owned and occupied by the owner of a business for the purposes of a business;
- (ii) Additions to, or alterations, extensions, or improvements of, any of the assets of the business;
- (iii) Interest on the capital of the proprietors or partners of the business;
- (iv) Bad debts not actually written-off in the accounts;
- (v) Losses sustained in previous years;
- (vi) Reserves of any kind;
- (vii) Sums paid on account of the income-tax or super-tax or any tax levied by a local authority other than local rates or municipal taxes in respect of the portion of the premises used for the purpose of the business;
- (viii) Any expenditure of the nature of charity or a present;
- (ix) Any expenditure of the nature of capital;
- (x) Any loss recoverable under an insurance or a contract of indemnity;
- (xi) Depreciation of any kind other than that specified in the Act;
- (xii) Drawings or salaries of the proprietors or the partners;
- (xiii) Private or personal expenses of the assessee;
- (xiv) Any expenditure of any kind which is not incurred solely for the purpose of earning the profits.

If you have included any such sums in your expenditure in your books, you must exclude them from the expenditure permissible for the purpose of arriving at your taxable profits.

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**Note 6.**—The income, profits or gains shall be computed after making allowance for any expenditure (not being in the nature of capital expenditure) incurred *solely* for the purpose of such profession or vocation, provided that no allowance is made on account of any of your personal expenses. Professional fees received by you in any part of India (whether within British India or not) must be included by you in your receipts.

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**Note 7.**—Income-tax chargeable on the profits of companies is paid by the companies, so that the dividends which shareholders receive represent the net amount remaining after income-tax has been paid. The



amount of income-tax paid upon these dividends, even if the dividends are stated to be income-tax free, should be added to the amount of the dividends actually received, and the gross amount arrived at should be entered in column 2 of the statement.

*If the rate of tax applicable to your total income is less than the rate at which tax has been paid upon your dividends, you may, by attaching the company's certificate received with the dividends, have the excess collected on your dividends from the company set against the tax payable by you on your other income instead of having to apply separately for a refund.*

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**Note 8.**—Agricultural income from land not paying land revenue or local rates to an authority in British India should be included under this head.

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**Note 9.**—Deductions from total income can only be made for insurance premia in respect of insurance on your own life or on the life of your wife, or in respect of a contract for a deferred annuity on your own life or on the life of your wife. No deduction is permissible in the case of any other form of insurance except in the case of Hindu undivided families where deductions are permissible on account of premia paid in respect of insurance on the life of any male member of the family or of his wife. The original receipt or the certificate of the insurance company to which the premium was paid must be attached to the return.



## Schedule 'A.

Serial number.	Name of village or town where the property is situated.	Name of street and number of property.	In the case of municipalities the name of the person in whose name the property stands in the municipal registers.	Whether the property is occupied by owner or is let.	Annual letting value of the property.	Amount of rent actually received for the property if let.	DEDUCTIONS.						Total of columns 8 to 13.	Net amount to be carried over to the front of the form.
							One-sixth of the annual letting value shown in column 6.	Premium paid to insure the property against damage or destruction.	Interest paid on a mortgage or charge on the property.	Ground rent paid for the property.	Land revenue paid for the property.	Collection charges paid.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15



Notice under section 22 (4) of the Indian Income-tax Act,  
1922.

INCOME-TAX OFFICE, \_\_\_\_\_

Dated \_\_\_\_\_ 19 .

To \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TAKE notice that you are hereby required under section 22 (4) of the Indian Income-tax Act, 1922, to produce or to cause to be produced on \_\_\_\_\_ 19 , at 10 A.M., at the office of the undersigned, the accounts or documents specified below:—

- 1.
- 2.
- 3.
- 4.

*Income-tax Officer.*



Notice under section 23 (2) of the Indian Income-tax Act,  
1922.

INCOME-TAX OFFICE, \_\_\_\_\_

Dated \_\_\_\_\_ 19 .

To \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHEREAS the undersigned has reason to believe that the return made by you under section 22 is <sup>incorrect</sup><sub>incomplete</sub>, you are hereby required, under section 23 (2) of the Indian Income-tax Act, 1922, either to attend at the undersigned's office on \_\_\_\_\_ 19 , at \_\_\_\_\_ A.M., or to produce, or cause to be produced there, on the said date, any evidence on which you may rely in support of your return.

*Income-tax Officer.*



Summons to witness under section 37 of the Indian Income-tax Act, 1922.

Dated \_\_\_\_\_ 19

To

\_\_\_\_\_

\_\_\_\_\_

WHEREAS your evidence is necessary in the matter of the assessment of the income of \_\_\_\_\_ you are hereby required to attend with the documents noted below at my office at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 19 ., at \_\_\_\_\_ o'clock A.M., there to give evidence, and not to depart until you receive my permission to do so. Failure to so appear and give evidence is punishable under the provisions of the Civil Procedure Code, 1908 (Rule 12 of Order XVI).

[A sum has been deposited for your travelling expenses.]

Documents to be produced—

Income-tax Officer.  
Assistant Commissioner.  
Commissioner.



# Notice of demand under section 29 of the Indian Income-tax Act, 1922.

To

1. You have been assessed for the ~~current~~ year to income-tax amounting to Rs. \_\_\_\_\_ (in addition to which a penalty of Rs. \_\_\_\_\_ has been imposed), as shown in the copy of the assessment form overleaf.

2. You have also been assessed to super-tax amounting to Rs. \_\_\_\_\_.

3. You are required to pay the amount of Rs. \_\_\_\_\_ on or before the \_\_\_\_\_ to the Treasury Officer  
Sub-Treasury Officer, at \_\_\_\_\_  
Agent, Imperial Bank of India, when you will be granted a receipt.

4. If you do not pay the tax on or before the date specified above, you will be liable to a penalty which may be as great as the tax due from you.

5. If you are dissatisfied with your assessment you may present an appeal under sub-section (1) of section 30 of the Indian Income-tax Act, 1922, to the Assistant Commissioner of Income-tax at \_\_\_\_\_ (or the Collector of the district) within 30 days from the receipt of this notice, on a petition duly stamped in the form prescribed under sub-section (3) of section 30 and verified as laid down in that form.

Or

The assessment has been made under sub-section (4) of section 23 of the Indian Income-tax Act, 1922; because you failed <sup>to make a return of your income under section 23</sup> ~~to comply with a notice under sub-section (4) of section 22~~ <sup>to comply with a notice under sub-section (2) of section 23</sup>, and no appeal lies. But if you were prevented by sufficient cause from making the return or did not receive the notice(s) aforesaid, or had not a reasonable opportunity to comply, or were prevented by sufficient cause from complying with the terms of the notice(s), you may apply to me, <sup>within one month from the receipt of this notice</sup> under section 27, to cancel the assessment and proceed to make a fresh assessment.

6. The appropriate chalan should be sent along with the amount paid. Should you lose the chalans attached to this notice of demand, it will be necessary for you to apply to the Income-tax Officer for copies of fresh chalans.

7. If you remit the demand by money order, you should send it to the treasury officer, \_\_\_\_\_, and should state on the money order form that the payment is on account of income-tax.

Dated \_\_\_\_\_ 19 \_\_\_\_.

Income-tax Officer.

(Place) \_\_\_\_\_



## ASSESSMENT FORM.

Assessment for 19 -19

DISTRICT OR AREA \_\_\_\_\_

Name of assessee \_\_\_\_\_

Address \_\_\_\_\_

Serial number.	Detailed sources of income.	Amount of income.	Tax deducted at source.		REMARKS.
		Rs.	Rs.	A.	
1	Salaries . . . . .				
2	Interest on securities . . . . .				
3	Property . . . . .				
4	Business . . . . .				
5	Profession . . . . .				
6	Other sources . . . . .				
<hr/>					
(i)	Total income . . . . .		Rs.	A.	Rs. A.
(ii)	Deduction on account of provident fund, insurance premia, etc. . . . .				
(iii)	Deduct sums received as dividends or from a firm the profits of which have been <del>charged</del> <sup>disposed</sup> to tax . . . . .				
(iv)	Deduct amount of interest from tax-free securities of the Government of India or of a local Government <i>or of a local Govt.</i> . . . . .				
(v)	Income now to be taxed . . . . .				
(vi)	Rate applicable _____ pies per rupee . . . . .				
(vii)	Amount of tax . . . . .				
(viii)	<i>Reduction</i> Deduction under section 17 . . . . .		Rs.	A.	
(ix)	Amount of deductions at source from salary or interest on securities for which credit is given under section 18 (5) . . . . .				
(x)	Abatement on account of dividends (at _____ pies per rupee) . . . . .				
(xi)	Abatement on amount of income from a registered firm (at _____ pies per rupee) . . . . .				
(xii)	Net amount of tax (or refund) . . . . .				
(xiii)	Penalty under section 28 [or section 25 (2)] . . . . .				
(xiv)	Total sum payable (or to be refunded) (in figures as well as in words) . . . . .				
	Rupees				
	annas				

Dated

19 .

Income-tax Officer.



**Form of appeal under section 30-(3) of the Indian Income-tax Act, 1922.**

To

The Assistant Commissioner of

The \_\_\_\_\_ day of \_\_\_\_\_ 19 .

\*The petition of \_\_\_\_\_  
of \_\_\_\_\_ sheweth as follows:—

1. Under the Indian Income-tax Act, 1922, your petitioner has been assessed on the sum of Rs. \_\_\_\_\_ for the year commencing the 1st day of April, 19 . The notice of demand attached hereto was served upon him on \_\_\_\_\_ 19 .

Your petitioner's income accruing and arising or received for the year ending the \_\_\_\_\_ day of \_\_\_\_\_ 19 , amounted to Rs. \_\_\_\_\_

3. Such income and profits actually accrued or arose or were received during the period of \_\_\_\_\_ months and \_\_\_\_\_ days.

4. During the said year your petitioner had no other income or profits.

5. Your petitioner has made a return of his income to the Income-tax Officer \_\_\_\_\_ under section 22, sub-section (2), of the Act and has complied with all the terms of the notice served on him by the Income-tax Officer under section 23 (2) [<sup>and</sup><sub>or</sub> section 22 (4)].

Your petitioner therefore prays that he may be assessed accordingly, (or that he may be declared not to be chargeable under the Act).

(Signed)

\_\_\_\_\_  
*Grounds of appeal.*

I, \_\_\_\_\_, the petitioner named in the above petition, do declare that what is stated therein is true to the best of my information and belief.

(Signed).



**Form of appeal under section 32 (2) of the Indian Income-tax Act, 1922.**

To

**THE COMMISSIONER OF INCOME-TAX,**

---

The \_\_\_\_\_ day of \_\_\_\_\_ 19 .

The petition of \_\_\_\_\_ sheweth as follows:—

1. Under section 31 (3) of the Indian Income-tax Act, 1922, the Assistant Commissioner of \_\_\_\_\_ has increased the tax payable by your petitioner from Rs. \_\_\_\_\_ to Rs. \_\_\_\_\_.

2. Your petitionēr prays that the enhancement may be set aside or reduced to Rs. \_\_\_\_\_ for the reasons stated below:—

Signed \_\_\_\_\_

*Grounds of appeal.*

I, \_\_\_\_\_, the petitioner named in the above petition, do declare that what is stated therein is true to the best of my information and belief.

Signed \_\_\_\_\_



Notice of date fixed for the hearing of an appeal under section  $\frac{31}{32}$ , Act XI of 1922.

IN THE COURT OF THE  $\frac{\text{COMMISSIONER}}{\text{ASSISTANT COMMISSIONER}}$  OF INCOME-TAX.

Appeal No. ——— of 19 —19 .

To ————— APPELLANT.

WHEREAS an appeal against the  $\frac{\text{assessment of income-tax}}{\text{order of the Assistant Commissioner}}$  preferred by you in the court of ——— of the ——— was received and registered by this court and whereas ——— 19 , at 10 o'clock, has been fixed for the hearing and final disposal of the said appeal at ———, you are hereby informed that you should appear in this court in person or by an authorized agent or by a pleader duly instructed, and able to answer all material questions relating to the said appeal or accompanied by some person able to answer all such questions. Take notice that in default of your appearance on the day beforementioned the appeal will be heard and determined in your absence.

Issued under the seal of the court, this ——— day of ———  
19 .

By order, etc.,

$\frac{\text{Commissioner}}{\text{Assistant Commissioner}}$  of Income-tax



Notice imposing a penalty under section 46, Indian Income-tax Act, 1922.

INCOME-TAX OFFICE, \_\_\_\_\_

Dated \_\_\_\_\_ 19 .

To

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHEREAS you have not paid the sum of \_\_\_\_\_ due on account of income-tax for the year \_\_\_\_\_ on the prescribed date \_\_\_\_\_ in accordance with the notice of demand sent to you on \_\_\_\_\_ you are hereby informed that a penalty of \_\_\_\_\_ has been imposed upon you under section 46 (1) of the Indian Income-tax Act, 1922. You are further warned that unless the amount due is paid within 15 days from the date of receipt of this notice, a further penalty will be imposed on you [\*and a warrant of distress will be issued for the recovery of the whole amount due with cost].

2. A chalan is enclosed to enable you to pay the penalty at the

Treasury  
Sub-Treasury  
Branch of Imperial Bank of India

at

*Income-tax Officer.*

\*For use in those areas only in which the Commissioner of Income-tax has issued directions under section 46 (3).







**Application for refund of income-tax under section 48 of  
the Indian Income-tax Act, 1922.**

I \_\_\_\_\_  
of \_\_\_\_\_  
do hereby state that my income from all sources to which the Act applies during the year ending \_\_\_\_\_ on the 31st March, 19\_\_\_\_, as shown in the return annexed amounted to Rs. \_\_\_\_\_ only.

I therefore pray for a refund of :—

Rs. \_\_\_\_\_ under " Salaries "

Rs. \_\_\_\_\_ under " Securities "

Rs. \_\_\_\_\_ under " Dividends from Companies "

Rs. \_\_\_\_\_ under " Share of profits of the registered firm or partnership " known as \_\_\_\_\_ of which I am a partner.

*Signature* \_\_\_\_\_

I hereby declare that what is stated herein is correct.

*Dated* \_\_\_\_\_

*Signature* \_\_\_\_\_

**NOTES.**

1. The application should be accompanied by a return of total income in the form prescribed under section 22, unless the applicant has already made such a return to the Income-tax Officer.

2. Where the application is made in respect of interest on securities or dividends from companies, the application should be accompanied by the certificate prescribed under section 18 (9) or section 20, as the case may be.

3. The application for a refund should be made to the Income-tax Officer for the district in which the applicant is chargeable directly to income-tax, or, if he is not chargeable directly to income-tax, to the Income-tax Officer for the district in which the applicant ordinarily resides, or if he is not resident in British India—

- (i) to the Income-tax Officer of the district or area in which he was last charged directly to income-tax when so resident, or
- (ii) if he has never been so resident, to the Income-tax Officer of the district or area where the income-tax for the refund of which application is made was deducted.

4. The application may be presented by the applicant in person or through a duly authorized agent or may be sent by post.



## Return No. I.

Classification of the income-tax demand in the \_\_\_\_\_ district  
province  
 in the year ending 31st March 19 .

Serial No.	Classification.	Assessment for 19 -19 .
1	2	3
1	Salaries—	
	(a) paid by Government . . . . .	
	(b) „ „ local authorities . . . . .	
	(c) „ „ companies, other public bodies and associations.	
	(d) „ „ private employers . . . . .	
2	Interest on securities—	
	(a) on securities of the Government of India or of a local Government.	
	(b) on debentures or other securities of a local authority or a company.	
3	Income derived from property . . . . .	
4	„ „ „ business . . . . .	
5	Professional earnings . . . . .	
6	Income derived from other sources . . . . .	
7	Total of items 1 to 6 .	
8	(a) Amount to be deducted on account of section 15 . .	
	(b) Amount to be deducted on account of section 17 . .	
9	Resultant demand . . . . .	
10	*Arrears . . . . .	
11	Penalties—	
	(a) penal assessments under section 28 and section 25 (2) .	
	(b) „ recoveries „ „ 46 (1) . .	
	(c) other penalties and fines . . . . .	
12	Miscellaneous . . . . .	
13	Total of items 9 to 12 .	



Serial No.	Classification.	Assessment for 192 -2 .
1	2	3
14	Refund or rebate of tax— (a) on interest on securities, under section 48 . . . (b) on dividends of companies, under section 48 . . (c) to partners of firms, under section 48 . . . . (d) under section 49 . . . . . (e) other refunds . . . . .	
15	Total refunds .	
16	Net demand (item 13 minus item 15) . . . . .	
17	<i>Deduct.</i> —Arrears outstanding on 31st March of the year to which the statement relates.	
18	<i>Add.</i> —Excess collections and advance payments . . .	
19	Net collections . . . . .	

\*If this figure differs from that in item 17 in the return of the preceding year, an explanation should be given showing how much has been written off as irrecoverable and how much has been reduced in appeal or revision.











## Return No. II.

Classification of the super-tax demand in the \_\_\_\_\_ district  
in the year ending 31st March 19 \_\_\_\_\_ province

Serial No.	Classification.	Assessment for 19 -19 .
1	2	3
		<i>Rs.</i>
1	Demand for the year . . . . .	
2	*Arrears . . . . .	
3	Miscellaneous including penalties . . . . .	
4	Total of items 1 to 3 . . . . .	
5	Refunds . . . . .	
6	Net demand (item 4 <i>minus</i> item 5) . . . . .	
7	<i>Deduct.</i> —Arrears outstanding on 31st March of the year to which the statement relates.	
8	<i>Add.</i> —Excess collections and advance payments	
9	Net collections . . . . .	

\*If this figure differs from that in item 2 in the return of the preceding year, an explanation should be given showing how much has been written off as irrecoverable and how much has been reduced in appeal or revision.



# Return No. III.

Classification of income-tax collected in the \_\_\_\_\_ district \_\_\_\_\_ in the year ending 31st March 19 .

1	Securities of the Government of India or of a local Government.		Securities other than those of the Government of India or of a local Government.		Companies.	Registered firms.	TOTAL.
	2		3		4	5	6
Income assessed where tax has been collected.							
Gross tax collected . . . . .							
Refunds or rebates . . . . .							
at pias per rupee . . . . .							
at pias per rupee . . . . .							
at pias per rupee . . . . .							
at pias per rupee . . . . .							
at pias per rupee . . . . .							
at pias per rupee . . . . .							
Total refunds or rebates . . . . .							
Net* collections . . . . .							
Number of assesseees (columns 4 and 5 only).							
Number of persons to whom refund or rebate is given.							

\*Net collections  
Add excess collections and miscellaneous .  
Add penalties (actual collections) .

Total



# Return No. IV.

Classification of grades of income-tax collected in the district in the year ending 31st March 19 provice

Serial No.	Grade of income.	COLLECTIONS ON ACCOUNT OF—						DEDUCTIONS.						Number of assesses.	REMARKS.			
		Salaries.	Additions regarding collections on account of salaries of previous year due to difference in rates <i>in the same year</i>	Income of Hindu undivided families.	All income other than income shown in return No. III and in preceding columns of this return (to include cases under section 84, also cases in which income and tax are enhanced on appeal after collection of the original demand, also additions for extra collections during the year on account of excess allowances originally granted for insurance premia, etc.).	Gross total of collections.	On account of refunds— (a) in cash— (1) due to total refund of tax paid after collection. (2) due through section 30 or section 32 and (b) in cash or otherwise— due on account of insurance premia, etc.	Due through section 17.	Deductions regarding collections on account of salaries of previous year due to difference in rates <i>in the same year</i>	Income, column 10 minus column 12.	Tax collected (column 11 minus columns 13, 14 and 15).							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
	Rs. lbs.																	
I	2,000 to 2,499																	
II	2,500 " 2,999																	
III	3,000 " 3,499																	
IV	3,500 " 3,999																	
V	4,000 " 4,499																	
VI	4,500 " 4,999																	
VII	5,000 " 5,499																	
VIII	5,500 " 5,999																	
IX	6,000 " 6,499																	
X	6,500 " 6,999																	
XI	7,000 " 7,499																	
XII	7,500 " 7,999																	
XIII	8,000 " 8,499																	
XIV	8,500 " 8,999																	
	9,000 and over																	
	TOTAL																	

Add excess collections and miscellaneous  
Add penalties (actual collections) . . . . .  
Total . . . . .



# Return No. V.

Statement showing collection of super-tax in the \_\_\_\_\_ district \_\_\_\_\_ province in the year ending 31st March 19 \_\_\_\_.

Class.	Amount of income.	Collection from individuals.		Collection from companies.		Collection from unregistered firms.		Collection from Hindu undivided families.		TOTAL COLLECTION.		Refunds.	Net collection.
		Number of assesses.	Amount of tax.	Number of assesses.	Amount of tax.	Number of assesses.	Amount of tax.	Number of assesses.	Amount of tax.	Number of assesses.	Amount of tax.		
I	Rs. Rs.	3	1	5	6	7	8	9	10	11	12	13	14
I	50,001 to 1,00,000 .		Rs.		Rs.		Rs.		Rs.		Rs.	Rs.	Rs.
II	1,00,001 ,, 1,50,000 .												
III	1,50,001 ,, 2,00,000 .												
IV	2,00,001 ,, 2,50,000 .												
V	2,50,001 ,, 3,00,000 .												
VI	3,00,001 ,, 3,50,000 .												
VII	3,50,001 ,, 4,00,000 .												
VIII	4,00,001 ,, 4,50,000 .												
IX	4,50,001 ,, 5,00,000 .												
X	5,00,001 and more .												
	TOTAL												

Add--Excess collections and miscellaneous

Add--Penalties (actual collections)

TOTAL



## Return No. VI.

Classified statement of receipts of super-tax in the \_\_\_\_\_  
district  
province in the year ending 31st March 19 .

Serial No.	Sources of income.	COMPANIES.		OTHER ASSESSEES.		TOTAL.	
		No.	Amount of tax.	No.	Amount of tax.	No.	Amount of tax.
1	2	3	4	5	6	7	8
			Rs.		Rs.		Rs.
1	Banking . . . . .						
2	Buildings and land . . . . .						
3	Chemical . . . . .						
4	Cotton spinning and weaving . . . . .						
5	Cotton pressing, ginning and cleaning . . . . .						
6	Engineering . . . . .						
7	Flour mills . . . . .						
8	Insurance—Fire, Marine, and Life . . . . .						
9	Iron and steel works . . . . .						
10	Jute spinning and weaving . . . . .						
11	Jute pressing . . . . .						
12	Landing, shipping and warehousing . . . . .						
13	Mining, coal . . . . .						
14	Mining, other minerals including petroleum . . . . .						
15	Paper mills . . . . .						
16	Printing and publishing . . . . .						
17	Steam navigation—Ocean . . . . .						
18	Steam navigation—River . . . . .						
19	Railway . . . . .						
20	Tanneries and leather work . . . . .						
21	Tramways . . . . .						
22	Woollen mills . . . . .						
23	Others . . . . .						
	TOTAL . . . . .						



## Return No. VII.

District or circle.	No.	Number of assesses at close of previous year.	Number of assesses at end of year under review.
		4	Number filed during year.
		5	Number disposed of (including arrears of last year).
		6	Number successful.
		7	Number filed during year.
		8	Number disposed of (including arrears of last year).
		9	Number successful.
		10	Number filed during year.
		11	Number disposed of (including arrears of last year).
		12	Number of orders modified.
		13	Number.
		14	Number successful.
		15	Increase.
		16	Decrease.
		17	Number of cases of imposition of penalty under section 46(1).
		18	Number of cases in which recovery was made under section 46(2) (3) (5).
		19	Number.
		20	Number successful.
		21	Out of arrears.
		22	Out of demand of year under review.
		23	Amount remitted as irrecoverable.
			REMARKS.



## ASSESSMENT FORM.

Assessment for 19 -19

DISTRICT OR AREA

Name of assessee

Number in General Index

Address

Number of miscellaneous record

Serial No.	Detailed sources of income.	Amount of income.	Tax deducted at source.		REMARKS.
			Rs.	A.	
1					
2					
3					
4					
5					
6					

	Rs.	A.
(i) Total income . . . . .		
(ii) Deduction on account of provident fund, insurance premia, etc. . . . .		
(iii) Deduct sums received as dividends or from a firm the profits of which have been charged to tax . . . . .		
(iv) Deduct amount of interest from tax-free securities of the Government of India or of a local Government . . . . .		
(v) Income now to be taxed . . . . .		
(vi) Rate applicable _____ pies per rupee . . . . .		
(vii) Amount of tax . . . . .		
(viii) Deduction under section 17 . . . . .		
(ix) Amount of deductions at source from salary or interest on securities for which credit is given under section 18 (5) . . . . .		
(x) Abatement on account of dividends (at _____ pies per rupee) . . . . .		
(xi) Abatement on account of income from a registered firm (at _____ pies per rupee) . . . . .		
(xii) Net amount of tax (or refund) . . . . .		
(xiii) Penalty under section 28 or section 25 (2) . . . . .		
(xiv) Total sum payable (or to be refunded) — (in figures as well as in words) . . . . .		
Rupres _____		
annas _____		



\*Where the result of an assessment is an abatement the sum allowed as a refund or rebate should be entered in the classification cage below.

Source of income.	Rate of refund or rebate.	Amount of refund or rebate.	
		Rs.	A.

Date of issue of notice of demand.	Record of cash refunds.				
Number of voucher . . . .					
Date of voucher . . . .					
Amount of refund . . . .					
Reason for refund . . . .					



# Original (to be returned to the Income-tax Officer).

I.—Taxes on income— Income-tax—ordinary collections.

Invoice of income-  
tax paid into } Treasury  
Sub-treasury  
Branch of Imperial  
Bank of India.

Number in demand register.	Name and address of assessee.	Amount (to be entered in words as well as figures).
		Rs. a.

Dated \_\_\_\_\_, the \_\_\_\_\_ 19 \_\_\_\_.

CERTIFIED that the amount of tax entered in column 3 above is correct.

*Income-tax Clerk.*

Receive and grant receipt.

*Treasury Accountant.*

*Income-tax Officer.*

Income-tax Office Stamp.

Treasury Stamp.

062 IV—1922

\* NOTE.—The superfluous words should be deleted.

# Duplicate (to be retained in the Treasury).

II.—Taxes on income— Income-tax—ordinary collections.

Invoice of income-  
tax paid into } Treasury  
Sub-treasury  
Branch of Imperial  
Bank of India.

Name and address of assessee.	Amount (to be entered in words as well as figures).
	Rs. a.

Dated \_\_\_\_\_, the \_\_\_\_\_ 19 \_\_\_\_.

CERTIFIED that the amount of tax entered in column 2 above is correct.

*Income-tax Clerk.*

Receive and grant receipt.

*Treasury Accountant.*

*Income-tax Officer.*

Income-tax Office Stamp.

Treasury Stamp.

\* The superfluous words should be deleted.

# Receipt to be given to the payer.

Treasury  
Sub-treasury  
Branch of Imperial  
Bank of India.

Received the sum of Rs. \_\_\_\_\_

on account of income-tax for 19 \_\_\_\_ -19 \_\_\_\_, due

from \_\_\_\_\_

*Treasurer.*

*Accountant.*

*Treasury Officer*  
*Sub-treasury Officer*  
*Agent, Imperial*  
*Bank of India.*

Date \_\_\_\_\_

Treasury Stamp.



No.

Counterfoil order for refund of income-tax.

Refund payable to \_\_\_\_\_

Assessment record no. \_\_\_\_\_

Date of order directing refund \_\_\_\_\_

Amount of refund \_\_\_\_\_

Number in demand and collection register showing collection of  
amount regarding which refund is made \_\_\_\_\_

Initials of Income-tax Officer \_\_\_\_\_

Signature of recipient of the voucher \_\_\_\_\_

Date of encashment in the treasury \_\_\_\_\_

\* **NOTE.**—If the money is sent by money-order the amount of money-order commission should be entered separately.

† **NOTE.**—If the money is sent by money-order, the receipt issued by the Post Office should be attached to the counterfoil.

No.

Order for refund of income-tax.

Payable at the Income treasury within one month of date of issue.

Income-tax Officer

1. CERTIFIED that with reference to the assessment record of \_\_\_\_\_

for the year \_\_\_\_\_ no. \_\_\_\_\_ a refund of Rs. \_\_\_\_\_

is due to \_\_\_\_\_

2. Certified that the income-tax concerning which this refund is given has been credited in the treasury.

3. Certified that no refund order regarding the sum now in question has previously been granted and this order of refund has been entered in the original file of assessment under my signature.

4. Passed for payment of Rs. \_\_\_\_\_

(figures and words).

Signature \_\_\_\_\_

Income-tax Officer.

(Date)

Place \_\_\_\_\_

Received payment \_\_\_\_\_

Claimant's signature \_\_\_\_\_

The \_\_\_\_\_ 192 .

Examined.

Pay rupees \_\_\_\_\_

Accountant.

only.

Officer in charge of Treasury.

The \_\_\_\_\_

192 .



No. \_\_\_\_\_

Counterfoil of certificate to be given to a person desirous of securing deduction of income-tax at a rate less than the maximum rate on interest received on securities.

1. *Date* \_\_\_\_\_
2. Person to whom given \_\_\_\_\_
3. Person to whom addressed \_\_\_\_\_
4. Rate of deduction sanctioned \_\_\_\_\_
5. Securities concerned \_\_\_\_\_

*Initials of Income-tax Officer.*

No. \_\_\_\_\_

Form of certificate to be given to a person desirous of securing deduction of income-tax at a rate less than the maximum rate on interest received on securities.

INCOME-TAX OFFICE, \_\_\_\_\_

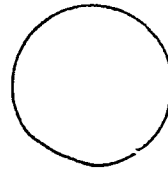
*Dated* \_\_\_\_\_ 192 .

To \_\_\_\_\_

I hereby authorise (1) \_\_\_\_\_

to deduct income-tax at the rate of (2) \_\_\_\_\_ pias in the rupee when paying the interest on the following securities to their present holder (3) \_\_\_\_\_

This authorisation will remain in force until cancelled by me.



*Description of securities.*

*Income-tax Officer.*



## I

of

I therefore pray for a refund of

Rs.

under "Securities".

I hereby declare that what is stated herein is correct.

Signature \_\_\_\_\_

Dated .

19 .

*Notes.*

1. The application should be accompanied by a return of total income in the form prescribed under section 22, unless the applicant has already made such a return to the Income-tax Officer.
2. The application for a refund should be made to the Political Officer in whose political charge the applicant ordinarily resides.
3. The application may be presented by the applicant in person or through a duly authorised agent or may be sent by post.
4. Details of the securities in question should be shown in the statement overleaf.



*Statement showing the details of securities of the Government of India.*

Description of security.	Number.	Date.	Amount.



Counterfoil of certificate to be given to residents in Indian States who are desirous of securing deductions of income-tax at a rate less than the maximum rate on interest on Government securities drawn from a British treasury in an Indian State.

Form of certificate to be given to residents in Indian States who are desirous of securing deductions of income-tax at a rate less than the maximum rate on interest on Government securities drawn from a British treasury in an Indian State.

1. Date \_\_\_\_\_

Dated \_\_\_\_\_ 19 \_\_\_\_

2. Person to whom given \_\_\_\_\_

To \_\_\_\_\_

3. Person to whom addressed \_\_\_\_\_

I, \_\_\_\_\_, Political Officer, do hereby certify that the income of \_\_\_\_\_, the owner of the securities specified below, is liable to taxation at 18 pias in the rupee in respect of such securities, but his income from all sources in British India including the interest on such securities being more than Rs. \_\_\_\_\_, and less than Rs. \_\_\_\_\_, he is entitled to a refund calculated at the rate of \_\_\_\_\_ pias in the rupee. The net amount of income-tax to be deducted on the interest is to be at the rate of \_\_\_\_\_ pias in the rupee.

4. Rate of deduction sanctioned \_\_\_\_\_

5. Securities concerned \_\_\_\_\_

Description of security.	Number.	Date.	Amount.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_

(Initials of Political Officer.)

Political Officer.



## GENERAL INDEX REGISTER.

PERMANENT RECORD.

Serial number.	Name of assessee.	Address.



FIVE YEAR RECORD.

[illegible]



INCOME-TAX.  
**MISCELLANEOUS RECORD.**  
 PROVINCE.

---

DISTRICT OR AREA—

---

Name of assessee—

Address—

Number in General Index Register—

	19   -19   .	19   -19   .	19   -19   .
Annual number in General Index Register.			



Description of paper.	19 . -19 .			19 . -19 .			19 . -19 .		
	Number of papers.	Serial number in record.	Date on which placed in record.	Number of papers.	Serial number in record.	Date on which placed in record.	Number of papers.	Serial number in record.	Date on which placed in record.
Order sheet . . . . .									
Acknowledgment of notice under section 22 (2).									
Acknowledgment of notice under section 22 (4).									
Acknowledgment of notice under section 23 (2).									
Acknowledgment of notice of demand.									
Acknowledgment of notice of penalty.									
Income-tax office copy of chalan.									
Miscellaneous papers :—									
Date on which weeded and initials of Income-tax Officer.									



**ORDER SHEET.****(For miscellaneous files.)**

Income-tax office—

Number of record—

Name of assessee—

No. in general index—

Serial number of order.	Date.	Brief order, mentioning reference, if necessary.	How complied with.	Date of compliance.



**INCOME-TAX ASSESSMENT RECORD.**

PROVINCE.

---

**DISTRICT OR AREA—**  

---

**NAME OF ASSESSEE—****ADDRESS OF ASSESSEE—****NUMBER IN GENERAL INDEX REGISTER—**



## RETURN OF INCOME.

[illegible]



*Register of demand*

Serial number.	Index number.	Name and address of assessee.	Total income.	Whether entered in tabulation sheet for annual returns.	Demand.	Date of issue of notice of demand.	COLLECTIONS.	
							Amount.	Date.
1	2	3	4	5	6	7	8	9
		Brought forward	Rs.		Rs. A.		Rs. A.	
		Carried over						



*and collections.*

[illegible]















2

H



[illegible]



[illegible]



**Grade of Income**\_\_\_\_\_.

*Classification of grades of income-tax collected in the*

[illegible]



District  
Province in the year ending 31st March 19

[illegible]







## Income Tax Department \_\_\_\_\_ Province.

## Depreciation Record.

District or area \_\_\_\_\_

Name of assessee—

General Index number—

## INSTRUCTIONS.

- (1) Entries in column 2 or 9 are to be based on the return submitted annually by the assessee.
- (2) Column 10 shows the progressive total of the items 2 to 9 but should be diminished *pro tanto* by the amount which has been fully paid up. For this operation the entries in columns 11 and 12 will be a guide.
- (3) Columns 11 and 12 are the key of the register. When any entry is made in columns 2 to 9 it should be calculated when the depreciation in respect of that item will normally cease and against the last year in which the depreciation on that account has to be allowed the year of entry in columns 2 to 9 will be entered in column 11 and the amount of depreciation in question in column 12.
- (4) Column 13 represents the total depreciation admissible on the entries in columns 2 to 9. When in any year depreciation on a particular item disappears the figure in column 13 of the next year will be the sum in column 13 of the preceding year diminished by the sum in column 12 with, of course, any addition which may have to be taken into account in respect of the new entries in columns 2 to 9.
- (5) Column 14 is the aggregate of columns 13 and 17.
- (6) When an allowance under section 10 (2) (vii) is entered in column 16 a revision of the figures in columns 11 and 12 is necessary in order that depreciation may be correctly calculated in succeeding years. When the allowance in column 16 involves the complete disappearance of an item entered in columns 2 to 9 the appropriate entries in columns 11 and 12 should be struck out in red ink and corresponding entries should be made in red ink in the same columns opposite the year in which the allowance under section 10 (2) (vii) is given. If the item in columns 2 to 9 does not disappear entirely the original figures in columns 11 and 12 should be amended and the amount by which depreciation in succeeding years will be diminished should be entered in columns 11 and 12 opposite the year in which the allowance under section 10 (2) (vii) is given. The operation should be described in the columns of remarks.



10







*Schedule of income-tax deductions in the month of* \_\_\_\_\_ *192* ,  
(to be attached to all salary bills and detailed establishment pay bills).

*For use in the Treasury only.*

(to be initialled by the clerk making the verification)



Name \_\_\_\_\_

*Designation and address*\_\_\_\_\_

*Serial No. in this register*\_\_\_\_\_ *Number in General Index*\_\_\_\_\_

Month and year.	Gross amount of salary or pay.	Deductions on account of provident and other funds.	Deductions on account of life insurance premia.	Net salary or pay on which tax has been calculated.	Income-tax deducted.	REMARKS.
1	2	3	4	5	6	7
19 -19 .	Rs.	Rs. A.	Rs. A.	Rs.	Rs. A.	
April .						
May .						
June .						
July .						
August .						
September .						
October .						
November .						
December .						
January .						
February .						
March .						
Total for the year .						



**Register of tax recovered on interest on securities of local authorities and companies under section 18 (3) of the Indian Income-tax Act, 1922.**

Name.	Year or portion of year for which tax is payable.	Amount of security.	Amount of tax paid.	Chalan no. and date of payment.	REMARKS.



## INCOME-TAX OFFICE,

To \_\_\_\_\_

19 \_\_\_\_\_

**MEMO.**

The firm of \_\_\_\_\_ whose principal place of business is at \_\_\_\_\_ in this jurisdiction has a branch in your district conducted under the name and style of \_\_\_\_\_ at \_\_\_\_\_.

I shall be obliged by your furnishing me, on an early date, with a statement of the nature and extent of its transactions, the amount and sources of its income (actual or estimated) in your district, and also of the material, whether regular accounts or otherwise, upon which your estimates are based, for assessment for the current year and request that no steps may be taken in your district against the \_\_\_\_\_ branch of this firm.

2. Should you know of any additional firms of this place having branches in your district, similar information may kindly be furnished to me in respect of such firms.

*Income-tax Officer.*

I. T. 51.

INCOME-TAX OFFICE \_\_\_\_\_

Dated \_\_\_\_\_ 192 \_\_\_\_\_

To \_\_\_\_\_

**MEMO.**

Please state whether the firms mentioned in the attached list whose branch offices are situated here have been assessed in your district on their income derived in this place and communicated to you under the letters of this office noted below. If so, please furnish immediately certificates under section 64 of the Indian Income-tax Act, 1922.

*Income-tax Officer.*



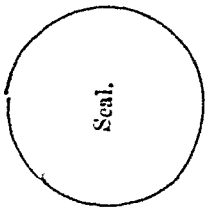
For the year ending 31st March 19 . . . . . No. . . . . of 19 -19 . . . . .

**Certificate of income-tax paid by the undermentioned person or company at the head office under section 64 of Act XI of 1922.**

Name under which the person or company carries on business at the head office.	Names of partners at the head office.	Places at which the branch business is carried on.	Name and address of the branch firm.	REMARKS.
1	2	3	4	5

N. B.—This certificate does not exempt the local agent from assessment on his salary, commission, remuneration or other income assessable under the Act.

INCOME-TAX OFFICE: . . . . . }  
*Dated* \_\_\_\_\_ 192 . . . . .



*Income-tax Officer.*



No. \_\_\_\_\_ of 19 .

INCOME-TAX OFFICE .

*Dated* \_\_\_\_\_ 19 .

True copy forwarded for the information of the

*Income-tax Officer.*



## Register of assesseees in whose case certificates under

Serial No.	Name and address of head office.	Name and address of branch office.	19   -19		19   -19	
			Number and date of letter calling for estimated in- come of the branch.	Date of issue of certificate.	Number and date of letter calling for estimated in- come of the branch.	Date of issue of certificate.
1	2	3	4	5	6	7



I







12



## SURVEY RETURNS SUBMITTED BY INSPECTORS.

No.	Names.	Source or sources of income.	Place or places, district or districts, where the income or profit arises or accrues.	Estimated annual income.	REMARKS.
1	2	3	4	5	6



---

I. T. NO. 56.

---

PROPERTY REGISTER.

---











## Tear off Acknowledgment Slip.

No.
-----

Name\_\_\_\_\_

Address\_\_\_\_\_

RECEIVED income-tax notice form No.\_\_\_\_\_

\_\_\_\_\_ on\_\_\_\_\_

*Served by**Peon*

(Sd.)\_\_\_\_\_

\_\_\_\_\_  
*Assessee.*



**Certificate of assessment to income-tax.**  
**payment of**

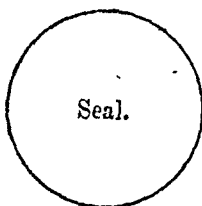
\_\_\_\_\_  
INCOME-TAX OFFICE AT\_\_\_\_\_

*Dated*\_\_\_\_\_

I HEREBY certify that\_\_\_\_\_of

\_\_\_\_\_has been <sup>assessed to</sup><sub>paid</sub> income-tax for

the year 19 -19 on an income of more than Rs.\_\_\_\_\_



*Income-tax Officer.*



IN THE COURT OF THE COMMISSIONER  
ASSISTANT COMMISSIONER

OF INCOME-TAX, \_\_\_\_\_

INCOME-TAX APPEAL No. \_\_\_\_\_

Instituted on the \_\_\_\_\_ from the  
order of the Assistant Commissioner  
Income-tax Officer of \_\_\_\_\_

\_\_\_\_\_ Appellant,

Date of hearing \_\_\_\_\_

Present for appellant \_\_\_\_\_

*Order of appellate court and ground of decision.*



Number of registered form.	Average annual consumption for the past three years.	Number of copies received on last indent.	Number at present in stock.	Number now indented for.	REMARKS.
1	2	3	4	5	6







## FORM OF CHARACTER ROLL

- STATEMENT OF SERVICES.

District.	Appointment.	Pay.	Date.
		Rs.	

NOTE.—Period of officiating service for less than three months should not be shown.



*Names of relatives in Government employ.*

Name.	Relationship.	Office.	District.

*Particulars of landed property.*



*Remarks recorded by superior officers.*

Notice of commendation or rewards.	Notice of censure or punishments.







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